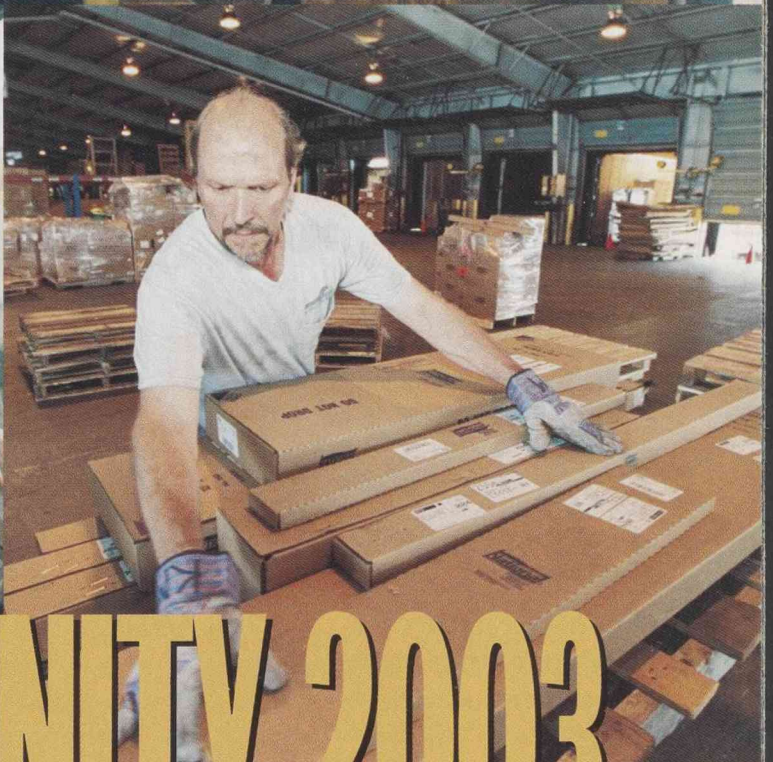


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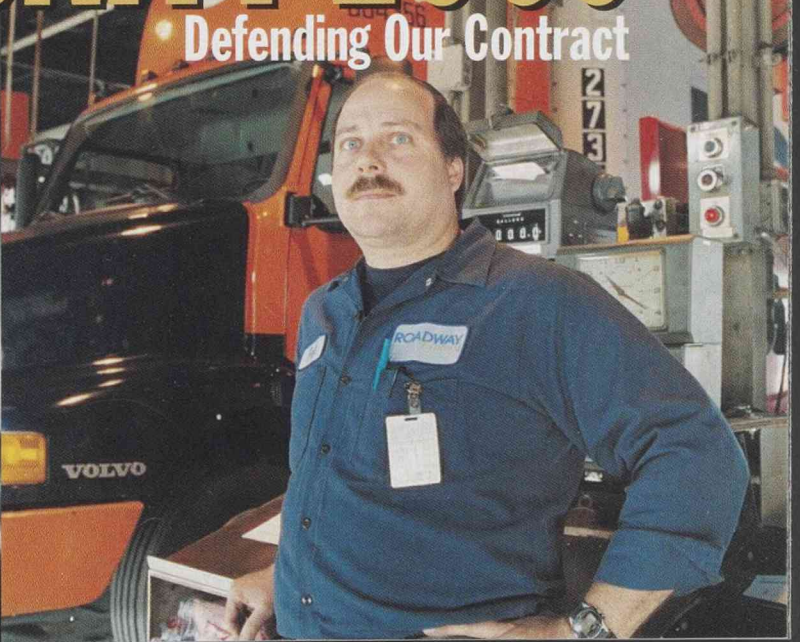
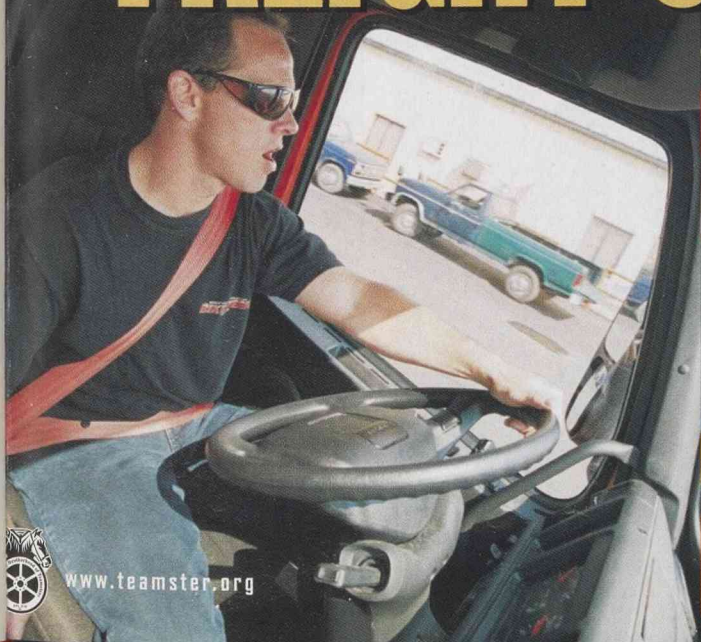
JANUARY/FEBRUARY 2003

TEAMSTER



FREIGHT UNITY 2003

Defending Our Contract



www.teamster.org

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A MESSAGE FROM THE GENERAL PRESIDENT

New Year Brings New Challenges

The arrival of January 1 not only signals the start of the New Year, but the beginning of new challenges we will face over the next 12 months.

This year, our union will tackle the tough job of negotiating a strong National Master Freight Agreement — a contract that has always represented the very foundation of the Teamsters. In addition to our Freight Unity 2003 campaign, our union will also begin negotiations on our National Carhaul Agreement and, at the end of the year, the National Anheuser-Busch Contract.

Speaking Truth To Power

We also face global challenges. Unfair trade agreements continue to contribute to the growing disparity of wealth around the world. International conflicts in Afghanistan, the Middle East and Iraq have affected many of our members in a profound way.

And perhaps the biggest factor adding uncertainty and anxiety to our lives—the economy. Sadly, we cannot open up a newspaper without seeing bad news. Plant closings, bankruptcies, layoffs, corporate scandals plague the economic landscape. And the changing political scene poses additional challenges in our

fight to defend working families.

But we cannot let our heads fall. As Teamsters we must embrace our responsibility to fight on behalf of working men and women. Whether our members fight through the political process, on a strike line or as a member of our armed forces, the fight is the same. As Teamsters, it is our first and foremost duty to stand united. Union members have always been among the few brave enough to speak truth to power.

United For Victory

We have the talent and resolve to win strong contracts in the face of economic uncertainty. We demonstrated that ability with our victory at UPS. We made history at UPS because our members were united for victory. And unity is what will deliver strong Freight, Carhaul and Brewery contracts.

We persevere through uncertain times by relying on one another. By lending strength and support, we bolster our faith in the future. And make no mistake, the future holds promise for our members, this year and beyond.

James P. Hoffa

Flight Attendants Deliver Petitions to NWA World Headquarters

It's not everyday that you see flight attendants with picket signs marching to the front door of Northwest Airlines World Headquarters in Eagan, Minnesota. But that's exactly what happened when Northwest flight attendants gathered at Building A to deliver a stack of petitions and a strongly worded message to Northwest CEO Richard Anderson.

Carrying blue and yellow picket signs with the words "Negotiate, Don't Dictate," dozens of flight attendants flooded into the building's lobby behind Local 2000 Trustee Mollie Reiley. Reiley was carrying a foot-high stack of petitions containing nearly 7,000 signatures protesting Northwest's recent unilateral decision to raise employees' health care costs without first consulting their unions.

"Please make sure these get to Mr. Anderson," Reiley

instructed as she dropped the petitions onto the receptionist's desk. She then turned to walk out of the building followed by photographers from several area newspapers and one very nervous member of Northwest's security team.

"NWA would like to solve their financial problems on our members' backs," Reiley said. "What has management done to bear the brunt of the economic downturn?"

Earlier in the day at a 'Solidarity Rally' held in Bloomington, Teamsters General Secretary Tom Keegel had more advice for Northwest Airlines:

"You might want to listen up Northwest," Keegel said. "We have the full support of organized labor and the flying public, and you will have to deal with us!"

The rally was attended not only by Northwest flight attendants, but by many

other Teamsters and members of other AFL-CIO unions from throughout the area who were on hand to provide support to Northwest flight attendants.

"I'm impressed that so many other union members would take time out of their day to be here with us," said Minneapolis-based flight attendant Prin Myhre. "It makes me realize how much we all have in common."

"NWA would like to solve their financial problems on our members' backs."

What has management done to bear the brunt of the economic downturn?"

— MOLLIE REILEY,
LOCAL 2000 TRUSTEE



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Two RBIs, No Strikes

Strike Fund Strengthens Western Warehouse Workers

The principle of deterrence has long been an effective instrument of foreign policy, and has helped keep our nation out of war. It is an equally valuable tool in collective bargaining.

Two major contract victories in the Western Region were achieved in October without a job action, thanks in part to the union's revitalized Strike Fund. The Fund, reestablished at last April's Special Convention, gives credibility and leverage to negotiators trying to hammer out a fair agreement.



that provides wage increases, full maintenance of health insurance, increases in pension contributions and job protection language.

In addition, the contract mandates that medical benefits, including retiree coverage, will be funded entirely by employer contributions over term. Further, the subcontracting protection in the existing contract was both retained and expanded to cover additional groups of workers.

"Teamster members overwhelmingly demonstrated their support for this contract with their votes," said Rick Middleton of Local 572 in Carson, California. "The Teamster locals involved in these negotiations are proud to have taken steps to protect the interests of working families in this industry."

"The Southern California negotiations were not easy," noted Teamsters General President Jim Hoffa. "But a credible strike threat, backed up by a united membership, helped us succeed."

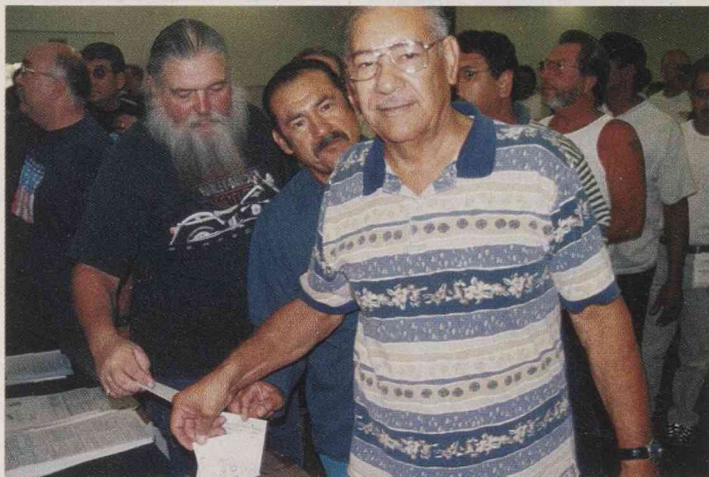
Something to Chew On

With the Convention's action backing them, some 8,000 members of seven locals voted by more than 90 percent to authorize a strike at food suppliers throughout Southern California after holding the line on further contract extensions and turning down earlier company proposals that would have drastically increased the costs of health insurance.

"This contract is everything. It's our living, it pays the bills and provides benefits for the future," explained Joe Gulberson, a 29-year Teamster and driver for Albertson's.

The new pact covers members of Locals 63, 166, 495, 572, 630, 848, and 952 employed as warehouse workers, truck drivers, dairy workers, office staff and crate-yard workers at Ralph's (owned by Kroger), Albertson's, Unified Western and Vons (owned by Safeway).

By a commanding two-to-one margin, workers then ratified a new three-year contract



VICTORY IN CHEHALIS

The power of the Strike Fund was again proven further north in Chehalis, Washington, where Local 252 and management negotiators met around the clock to avoid a strike at the Fred Meyer Distribution Center. They reached an agreement affecting some 320 workers, who then voted 202-72 to ratify.

"This was an 11th-hour settlement that gave us union security," said Mike Mauermann, Business Agent at Local 252 in Centralia, Washington.

Mobilization efforts at the open shop, including scheduled meetings and discussions regarding the industry and bargaining rights, increased the number of dues-paying workers from nine to nearly 300 in less than 10 months. "With every meeting, our membership and participation went up. We had a strong negotiating committee that was actually the catalyst to send the message through the plant of what it means to be union," Mauermann said.

The four-year contract, retroactive to April, features a dues check-off, annual wage increases and caps on health and welfare premiums. Beginning January 1, 2005, workers will be covered under the Western Conference of Teamsters Pension Trust.

ATTENTION: FORMER TEAMSTER MEMBERS WHO WORKED FOR SANTA FE

Almost all the IBT members who worked for Santa Fe prior to its bankruptcy in the 1980's and made valid claims have received checks from the Bankruptcy Court Trustee, but 20 members entitled to bankruptcy payments have not been able to be located. In a last effort to find these persons entitled to payment, the following individuals should contact Phillip Snelling at (312) 578-8100 with their current addresses:

David L. Anderson Local 17
George L. Baggie Local 70
Robert E. Bradshaw Local 795
Harry Brooks Local 795/886
Johnson Chewey Local 795
Tommy Clayburg Local 17
Donald L. Craine Local 795
Richard E. Galloway Local 208/63
Ellis E. Grooms Local 208
Don Hutchinson Local 208/63
Anton E. Job Local 190
Donald L. Keckler Local 492/961
Raymond E. Koch Local 492
Francis E. Krizek Local 492
James Lavielle Local 208/886
Michael B. Loeffler Local 208/533
Martin J. Reilly Local 763
Melvin K. Schuld Local 17/190
Gordon Thomas Local 17
Carl D. Williams Local 41

Allegheny Gets First Contract

Airline Workers and Locals Work Together for Change

A first contract is always a satisfying thing — especially when it's a contract three years in the making.

Allegheny was organized in 1999 and union workers immediately faced opposition from the company. Once Edward F. Keyser Jr., Secretary-Treasurer of Local 500 in Philadelphia set to work, the Allegheny members never faltered.

"The bargaining unit has grown consistently since the implementation of the contract. Allegheny Airlines is one of the few components of US Airways that is profitable. A contract made these workers whole and we're glad we got it done."

— JOHN SCHMITT, LOCAL 500, BUSINESS AGENT

"The first contract the company offered them was voted down unanimously, which was a good thing. The next contract was much better



and was ratified by a wide margin late last year," Keyser said.

With the new contract, those covered at Allegheny Airlines will get an average pay increase of 37 percent over the five-year contract, among many other benefits. There are 1,200 workers in the bargaining unit at 12 different stations all along the East Coast.

The Teamsters work in numerous stations in Pennsylvania, New York, West Virginia and Massachusetts. Approximately 200 Allegheny Teamsters are based in Boston, Massachusetts at Local 25.

"The bargaining unit has grown consistently since the

implementation of the contract," said John Schmitt, a Business Agent for Local 500. "Allegheny Airlines is one of the few components of US Airways that is profitable. A contract made these workers whole, and we're glad we got it done."

Allegheny Airlines is one of 10 regional airlines that operate as US Airways Express. They serve 38 cities in 12 states in the Eastern United States with more than 380 daily flights. Since Allegheny's customer service, dispatch, mechanic, stock clerk and ramp workers are all Teamsters, they provide some of the best service and reliability of any airline in the country.

CONTRACT HIGHLIGHTS

- Pay increases that add more than \$1 an hour in the first six months;
- Part-time workers now earn vacation time;
- Teamsters will earn double-time on the seventh day of work;
- One additional personal day off each year; and
- The full respect and recognition of being a Teamster

Costco Stewards Gear Up for Contract Campaign

Education Department Hosts Training Meetings

About 100 Teamster stewards from Costco warehouses in New York, New Jersey and Maryland attended two training sessions in November in preparation for a contract campaign.

One session was held at the International Union's headquarters in Washington, D.C., and the other took place in New

York City, hosted by Local Union 210. The Teamsters represent about 3,000 workers at 13 locations in the East, and more than 12,000 workers at Costco warehouses in California.

"These training sessions were helpful in preparing our stewards for the upcoming contract negotiations in the East, and teaching them how



to involve more members in the process," said Rome Aloise, who has been assigned by General President Jim Hoffa to assist Costco local unions.

Tom Keegel, General Secretary-Treasurer, welcomed the group at the International headquarters.

"You will play a pivotal role in the contract campaign," Keegel said. "You are the eyes and ears of the union."

The current two-year contract, covering about 3,000 workers at Locals 210, 311 and 592, expires March 15.

A bargaining survey was recently sent out to members, and the locals will be holding contract-proposal meetings to gather additional comments

on what priorities should be pursued in negotiations.

For Mike Graybill, a steward at the warehouse in Glen Burnie, Maryland, the training helped him become a better listener.

"By listening, you become a better problem-solver and advocate. It will help me better represent the needs of my co-workers as we renegotiate the contract," Graybill said.

Tracy Vohra, a steward at the Costco in Gaithersburg, Maryland, was pleased with the day-long session.

"I learned how to best approach my co-workers and how to help them. This will be important as we try to win the best contract possible," she said.



FUNERAL DIRECTORS, DRIVERS RATIFY CONTRACTS

Teamsters at Chicagoland Funeral Homes Accept New Agreements

More than 600 funeral directors and livery drivers represented by Teamsters Local 727 overwhelmingly ratified a new contract with the Funeral Directors Services Association (FDSA). Members voted by 83 percent to accept the terms of the new five-year agreement.

"We're very pleased with the outcome of these negotiations. Both sides bargained hard, and we came away from the table with a contract that improves the lives of our members and continues the long tradition of quality funeral service in Chicago," said John Coli, Local 727 Secretary-Treasurer.

Local 727 has represented Chicago's livery drivers since 1913 and funeral directors and embalmers since 1946. The FDSA, which is an employer association, bargains on behalf of 193 Chicagoland funeral homes. It formed as an employer association in 1962.

Alderwoods Directors and Drivers Reach Agreement

After contentious negotiations almost forced workers out on strike, an agreement was also reached with Alderwoods Group, Inc. covering 59 funeral directors and livery drivers at 10 homes and one funeral services storefront.

"We are very happy that we were able to reach a fair contract without a strike," said Coli. "Ultimately, the community support we received is what led to this agreement. The voices of hundreds of families, the clergy and local politicians were heard at the bargaining table, and we thank them for their support."

Though it never offered an explanation, Alderwoods pulled out of the FDSA bargaining group after the homes it owns had bargained through the FDSA as far back as 1962.



Tea Party 2002

Teamsters at Snapple Get First Contract

Newly organized Teamsters working in two New York area Snapple warehouses have ratified their first contract. The 40 new members of Local 812 voted overwhelmingly to ratify the five-year contract.

The strong contract will increase compensation by an average 50 percent in one location and by an average of 66 percent in the second warehouse over the term of the agreement. These Teamsters were also successful in achieving the industry standard health and pension package.

The Snapple workers won the right to Teamster representation on June 28, 2002. The company immediately filed objections to the fairness of the election. The second phase of the campaign kicked in when rank and file volunteers from Coke, Pepsi, Canada Dry and Anheuser-Busch gave out flyers to nearly 2,000 suburban supermarket store managers and city deli owners. The flyers highlighted Snapple's unfair labor practices and raised the prospect of a labor dispute going public in the vicinity of these businesses' customers. During this period, the workers organizing at Snapple held meetings and

finalized their contract demands.

Snapple appealed to the National Labor Relations Board (NLRB) in Washington, D.C. to get a rerun election after the regional Labor Board dismissed the Company's election objections as frivolous. A lengthy appeals process is now a standard operating procedure for an anti-union employer looking to defeat an organizing drive.

Local 812 responded by ratcheting up the pressure on Snapple. A rally was planned for a Teamster Tea Party at the Statue of Liberty Ferry stop in lower Manhattan for the purpose of protesting Snapple's violations of Teamsters exercising their rights and freedom to organize. Hundreds of Local 812 members pledged to attend the Tea Party. The stage was set to tell the public about Snapple's anti-worker efforts.

Snapple quickly offered to negotiate. The contract was reached in just three weeks and the Teamster Tea Party was called off. Included in the agreement is the reinstatement of an organizing committee member who was fired during the first weeks of the campaign.

Pickers Put Company In A Pickle

Strike By Local 75 Wins Living Wage

When Teamsters at Kelly Pickle in Oconto, Wisconsin were being denied a living wage at the profitable food processor, they sent a message to management—"Hold the pickle!"

The 38 members of Local 75 in Green Bay, Wisconsin who can pickles for retail sales and restaurants, were forced to strike for justice on the job.

"Our workers needed a livable wage to survive and they were willing to do whatever it took to get the justice they deserved," said Fred Gegare, Secretary-Treasurer of Local 75. "This is a profitable company and their success is due to the contributions and hard work of our members."

Community Dill-ivers For Workers

Support for the striking workers was overwhelming as neighboring Local 344 in Milwaukee donated hundreds of dollars to the workers'

strike fund. Employees at area businesses such as McDonald's, Hard-ee's, Hostess and Trepanier's showed solidarity with the striking workers by pitching in with food and drink for Teamsters on the picket line.

"The response from our community was incredible. They understand that working people deserve respect and fairness," said Gegare.

A federal mediator was brought in to help with negotiations and Local 75 considered asking patrons to refrain from buying Kelly pickles at businesses that continued to sell and use Kelly products during the strike. The strike ended when management buckled and workers voted to accept wage increases retroactive to January 1.

"There was a significant change in the employer's offer, and it was enough to make the people go back to work," said Mike Thoms, a business representative for Teamsters Local 75. "Our members stood together and their unity brought victory."



Illinois Teamster Inducted into Hall of Fame

Italian American Sports Hall of Fame Inducts Extraordinary Teamster

Vince "Rico" Perri, a retired construction driver and Local 26 Teamster member, was recently inducted into the National Italian American Sports Hall of Fame. He joins the company of 80 fellow Hall of Famers, including Joe Montana, Dan Marino, Mario Andretti, Franco Harris and Ray "Boom Boom" Mancini.

Perri, whose parents emigrated to Pittsburgh, Pennsylvania from Calabria, Italy in the 1920s, has excelled in football, baseball, boxing, bowling, and softball. He also comes from a long line

of union members.

"Being a Teamster has helped provide a good and healthy life for me and my family," said the 73-year-old Perri. This union really makes sure that its members are treated fairly and get the respect they deserve on the job. The Teamsters Union is the greatest one in the country."

Perri still keeps himself in great shape, playing in a softball league for the last several years and doing other things to keep himself fit.

"I've had a lot of fun in



my life without ever smoking or drinking. I don't look or feel like a 73-year-old man," he said.

Some of his athletic highlights include:

- Playing as star running back and place-kicker for a championship sandlot football team, and being named outstanding athlete in Pittsburgh in 1947;

- Winning the most games as a star pitcher in his county league and being voted as outstanding pitcher in 1949; Receiving Junior, Senior, and Golden Glove boxing awards in the 1940s and 1950s;

Having a minor league contract offered by the Chicago White Sox in 1950, but the military draft sent him to Korea, which ended his baseball career; Scoring his first perfect bowling game of 300 at the age of 19, and was ranked as 5th in the nation in 1959, and 7th in 1960; and

- Winning an Olympic Gold Medal in the Senior Softball Tournament in Springfield, Illinois, in 1999 at the age of 70.

Perri and his wife Margaret have four children and five grandchildren.

Poking Holes in Golden Parachutes

Teamsters Score Corporate Victory

In a stunning victory, shareholders of Bank of America (NYSE: BAC) approved a Teamsters-backed proposal that imposes restrictions on executive severance packages.

"Shareholders sent a strong message to Bank of America that it needs to

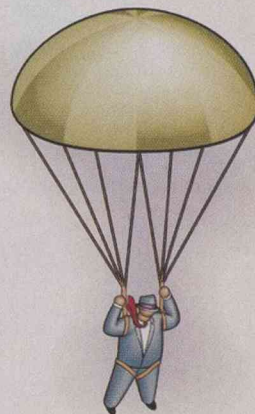
establish corporate accountability," said Carin Zelenko, Director of the Teamsters Office of Corporate Affairs. "This is a real indication that shareholders want executive compensation linked to performance."

The proposal, offered on behalf of the Teamster Affili-

ates Pension Plan, gives shareholders veto power on any severance package that is more than double the departing officer's annual compensation, including base salary and bonus.

Following the vote, Zelenko asked Bank of America Chairman Kenneth Lewis whether management would abide by the vote and adopt the proposed policy, to which he replied, "Absolutely."

Debate on the measure was influenced by the "golden parachute" of the former

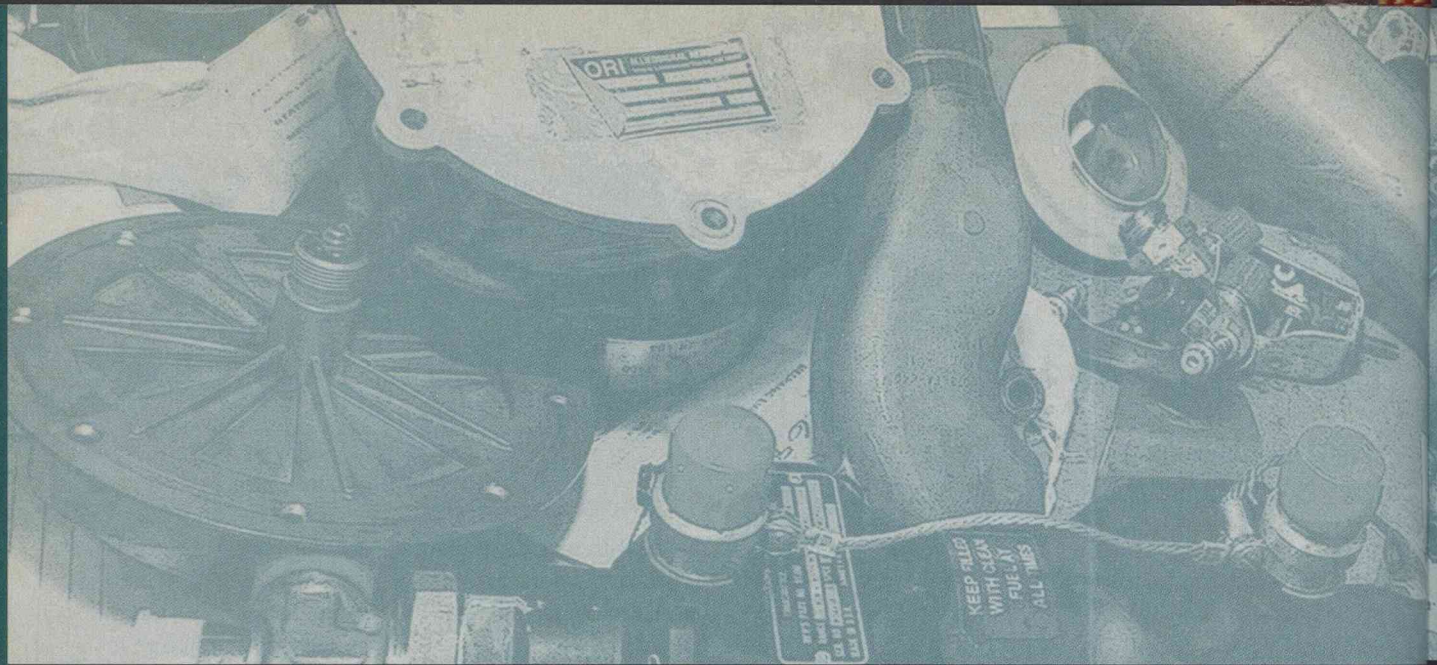


CEO of NationsBank at the time of its merger with Bank of America, which was valued between \$50 million and \$100 million.

"We are pleased by the shareholders' vote, and especially pleased by the company's commitment," Zelenko said.

"This is a real indication that shareholders want executive compensation linked to performance."

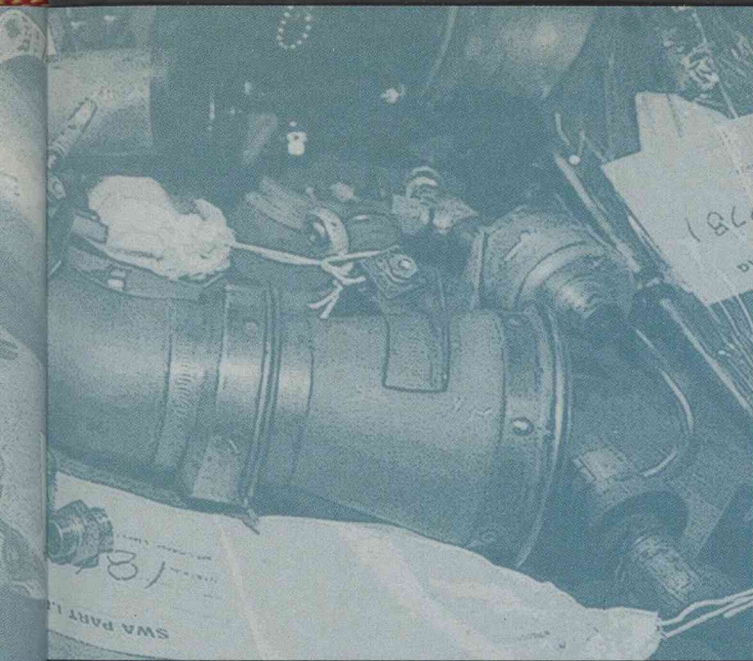
— CARIN ZELENGO, DIRECTOR, TEAMSTERS OFFICE OF CORPORATE AFFAIRS



Southwest Workers WIN WITH TEAMSTERS

**Mechanics,
Stock Clerks and
Appearance
Technicians
Benefit From
Teamster
Representation**





As a child, Dave Fischer was always intrigued by flight — how airplanes work, who keeps them up and running. His fascination began when he took his first plane ride as a boy.

Now, Fischer is an airline mechanic in Los Angeles for Southwest Airlines and a member of Teamsters. After years of fascination, he is now part of an elite group of airline mechanics who keep the country flying safely. The flying public rarely sees him and his coworkers but their services are so essential that without them, his airline would cease to exist.

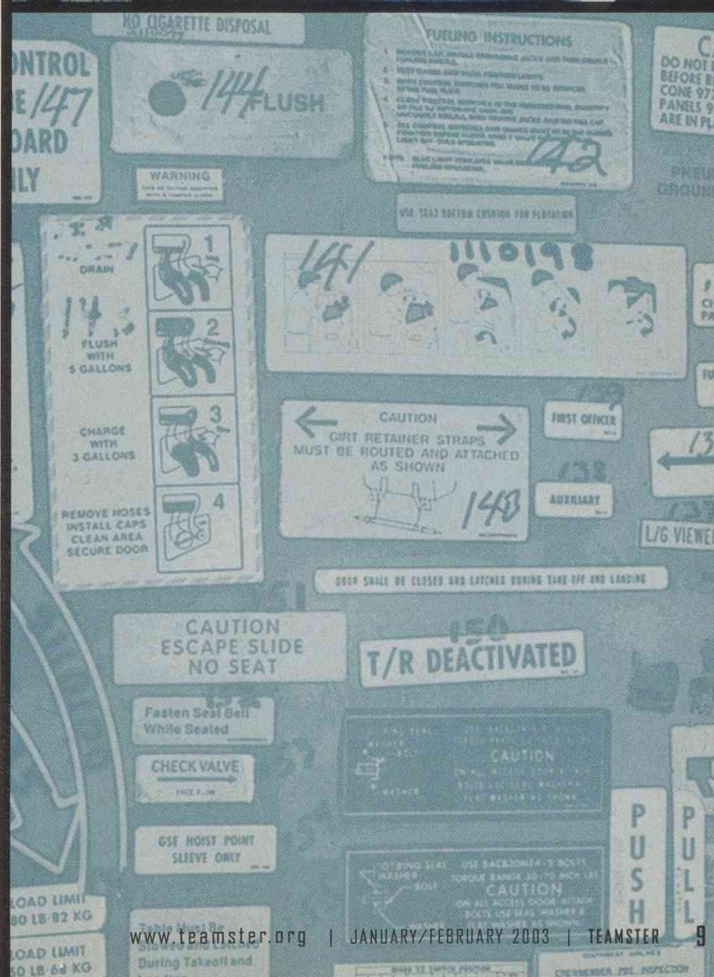
Airline maintenance technicians, GSE technicians and related workers with Southwest Airlines ratified an industry-leading contract on October 15 and the benefits started showing up immediately.

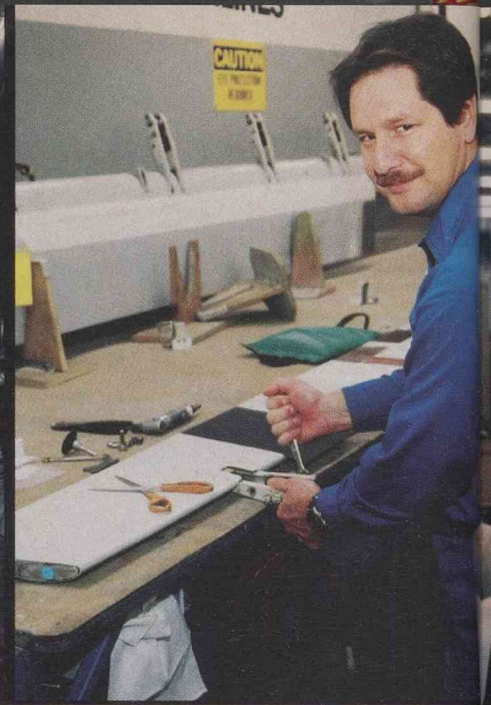
Workers like Fischer got an retroactive paycheck soon after the contract was ratified and they won some of the best job protections in the industry.

“Being in a union in this business is important for your protection. Corporate America is always going to be Corporate America which is why contracts like this are important,” Fischer said.

He should know. He has worked in the aviation industry for several years — most of them in non-union shops.

“If you’re not in a union, you don’t get good benefits. It’s that simple. If we weren’t Teamsters, we wouldn’t be making nearly as much and our benefits wouldn’t be what they are,” he said.





"For these hard economic times, it's a great contract. The job protections in the contract are probably the best in the industry."

— FRANK SVENTZENICH, SOUTHWEST MECHANIC, LOCAL 19

Contract Benefits

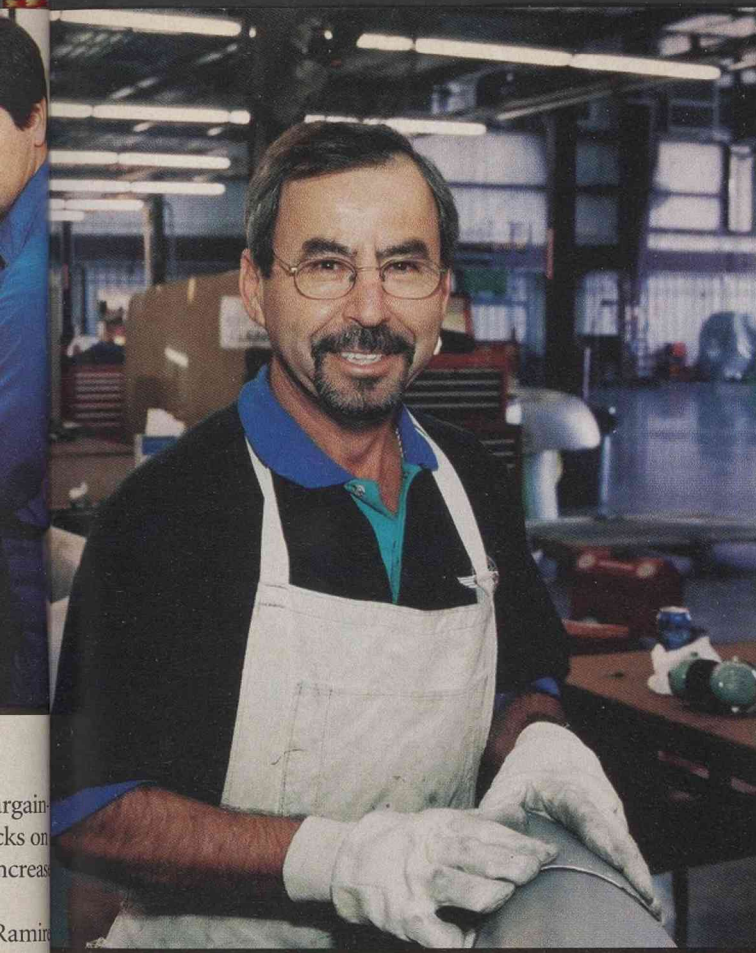
Thanks to the contract, Southwest workers throughout the bargaining unit from Los Angeles to Baltimore received retro paychecks on Wednesday, Nov. 20. The contract includes retroactive wage increases to August 16, 2001, so some of the checks were substantial.

"I got a retro check for \$7,200," said Rufino Ramirez Jr. Ramirez is a Southwest mechanic out of Houston and member of Local 19. The largest Teamster retro check was more than \$19,000.

Members of the bargaining unit were celebrating across the country, but some, like members in Dallas, chose to commemorate the occasion with a planned party. Dallas Teamsters threw a barbecue. They

The Teamster retro checks aren't the only great by-product of the contract. Workers achieved significant improvements and protection from subcontracting by Southwest. Workers also received sto





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the options of 2,400 shares per member over the term of the agreement. They also have the highest longevity pay in the industry and they protect of maintained their health benefits.

"For these hard economic times, it's a great contract," said Frank Sventzenich, a Southwest mechanic out of Dallas and member of Local 19. "The job protections in the contract are probably the best in the industry."

Job protections like the ones found in the contract are important to workers like Sventzenich.

"I worked for nine years in a non-union facility where they can and will lay you off. You could be working seven days straight, 12-hour shifts but they could still lay you off if you rubbed them the wrong way," he said. "There was no protection. That and how much I worked were detrimental to having a family life."

A Voice for Everyone

While airline mechanics have many duties, their job description can be boiled down to one key explanation: they ensure the safety of an airline's passengers and crew. Their importance cannot be underestimated.

While pilots, flight attendants and customer service representatives are the face of an airline, mechanics, stock clerks and appearance technicians are the behind-the-scenes heart of an airline. Without them, a single aircraft wouldn't be able to leave the ground — much less an entire fleet.

Precision isn't the only skill a mechanic needs to be good on the job as an airline mechanic.

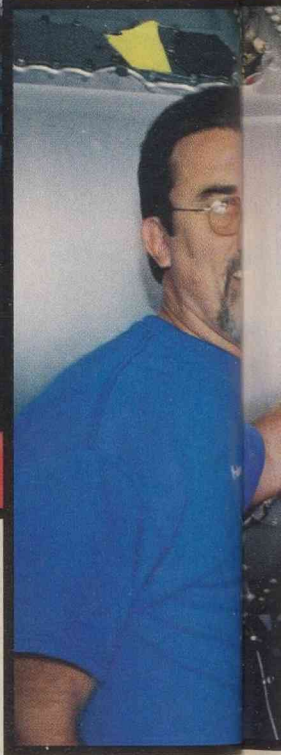
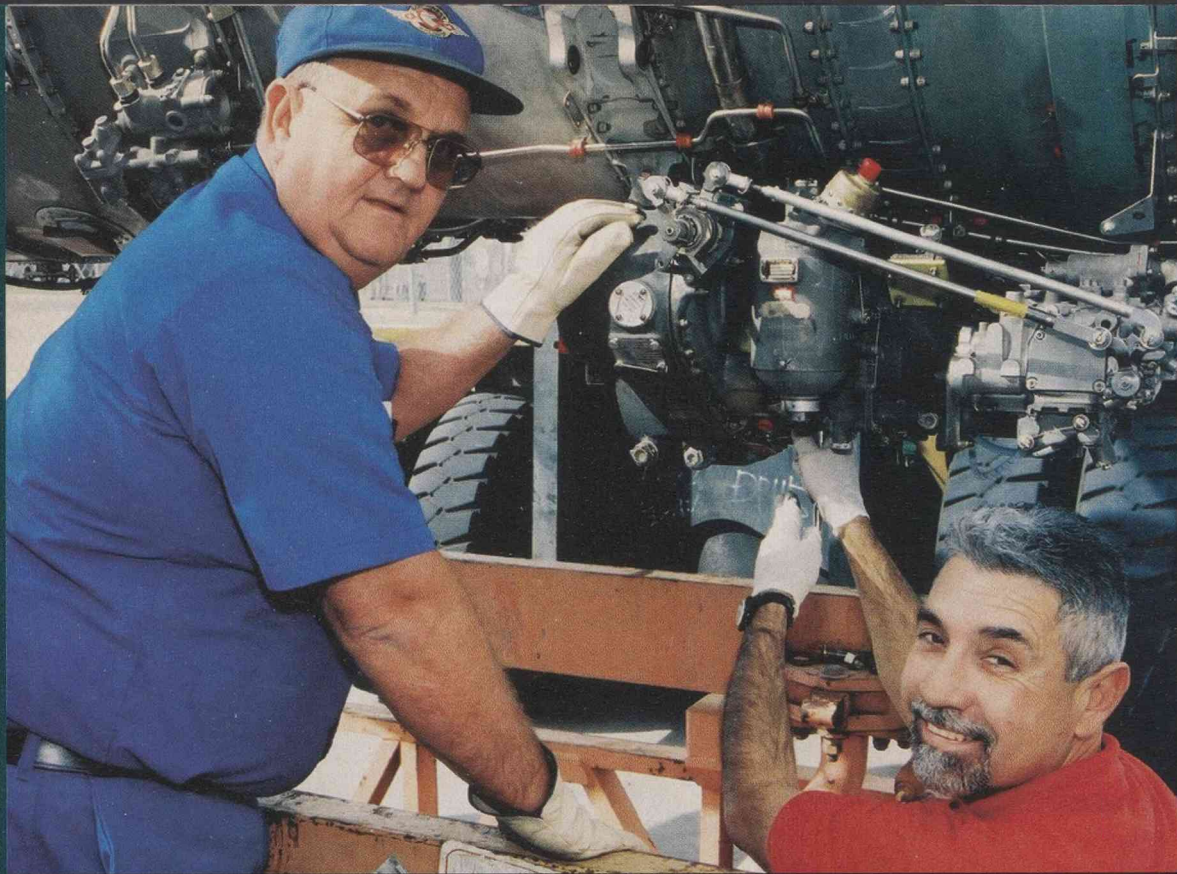
"First and foremost, you need a good attitude," Ramirez said. "Aside from that, you need a good understanding of avionics,

At Southwest Airlines, Teamsters represent:

- Mechanics;
- Stock clerks; and
- Appearance technicians.

The Airline Division represents Mechanic, Pilots, Flight Attendants, Customer Service workers, Ramp workers, Dispatchers, ground crews, and stock clerks at these airlines:

- Air Canada
- Air India
- Air Portugal
- Air Tran Airlines
- Air Transport International (ATI)
- Airborne Express
- Aloha Island Air
- America West
- Arrow Air
- Business Express
- Challenge Air
- Champion Air
- Comair
- Continental Airlines
- Continental Micronesia, Guam
- Continental Micronesia, Saipan
- Custom Air Transport
- DHL
- Executive Jet
- Express One
- Frontier
- Grand Air Express
- Great Lakes Aviation
- Gulfstream International
- Horizon Air
- Kalitta Air
- KittyHawk International
- LACSA
- Northwest Airlines
- Pakistan Airlines
- Reeve Aleutian
- Ross Aviation
- Shuttle America
- Southern Air Transport
- Southwest Airlines
- Sun Country
- T.W.A. Express
- Triangle Aviation
- U.S. Airways (Allegheny) (C.C. Air)
- U.S. Airways (Chautauqua) (C.C. Air) (PSA)
- U.S.A. 3000 Airlines
- United Express (Great Lakes)
- United Parcel Service (UPS)
- World Airways
- Zantop International



"You need a union for fairness reasons. Not everybody is treated fairly and you need a union that's going to be able to keep things evenhanded."

hydraulic systems, how to remove and replace engines — you truly need a wide array of skills."

Mechanics aren't the only members of the bargaining unit to benefit from Teamster representation. Stock clerks and appearance technicians are an important part of the equation that keeps Southwest Airlines running efficiently.

Kevin Givens is a Southwest stock clerk out of Houston and a member of Local 19. Stock clerks have so many different duties on a day-to-day basis that it would be nearly impossible to list them all here. As a stock clerk, though, Givens is responsible for inventory of aircraft parts as well as routing and tracking them throughout Southwest's system.

"Stock clerks also supply inventory to other Southwest maintenance stores around the country," Givens said. If another maintenance store needs a specific part when a plane needs to be repaired, stock clerks like Givens make sure they get there.

Another important position with the airline is the aircraft appearance technician and those workers are also in the Teamster bargaining unit.

Calvin Cheatham, a Southwest appearance technician out of Dallas and a member of Local 19, has been a Teamster for two years. As an appearance technician, Cheatham and his coworkers clean

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"I've been in other unions but the Teamsters are the strongest. The question really is, 'Who has strength in numbers?' It's the Teamsters."

— CALVIN CHEATHAM, SOUTHWEST APPEARANCE TECHNICIAN, LOCAL 19



Highlights of the Southwest Airlines contract that was ratified on October 15:

- Full Retro pay within 45 days of ratification
- Amendable August 16, 2005 (4 year)
- 2400 Shares of Stock
- 1200 shares vested immediately / 600 shares 2003 / 600 shares 2004
- Paid Lunches for Graveyard Shift
- Increase in Evening and Graveyard Shift Premium (.56/.63)
- GSE/Plant Mx Skill Premium (.25/.50)
- Article 4 GSE and Plant Mx Lead Mechanic wording added
- Article 8 field trip language clarified
- Article 9 sec 11 revert to original language
- Article 14 Lead/Inspector language to cover 6% wage above Mechanic thereafter base rates
- Article 14 Lead Inspector Language to cover 12% wage above Mechanic thereafter base rates.
- Article 15 Thereafter Rate (6 year Mechanic)
(Base/Lic./Longevity/Graves) example: 2001 = \$31.23
2002 = \$35.08 2003 = \$36.43 2004 = \$37.53
- Article 20 medical coverage for younger spouse of a retired employee

interior and exterior of aircrafts, company vehicles and facilities. They also drive tugs, forklifts and passenger vehicles.

Since September 11, though, appearance technicians have another important duty: They are the last line of defense against terrorism before the aircraft leaves the ground.

"We come in once the passengers get off and we pull up all the seat cushions, open all the cargo beds and basically check out the whole plane to make sure no dangerous items are left behind," Cheatham said.

Teamsters and Airlines: A Winning Combination

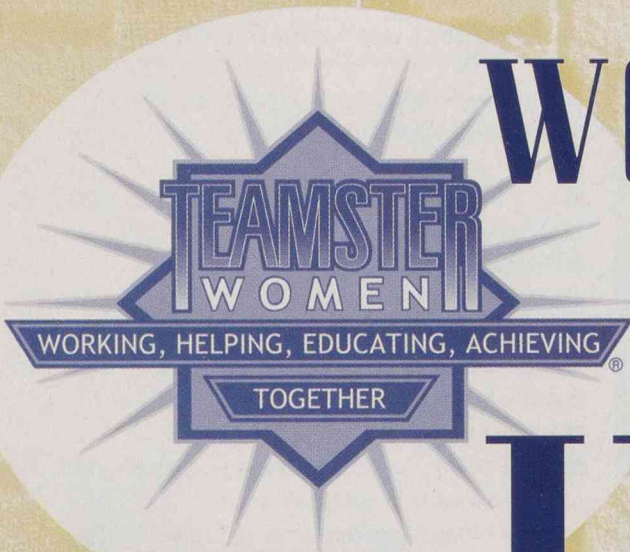
As with workers in other industries, the Teamsters are making sure the interests of the airline industry are cared for. The Teamsters not only have the strength of 1.4 million members but they have International Representatives and a top aviation law firm to assist with contract negotiations, benefits and legal issues.

The Political Action Committee works year-round to ensure that the needs of airline workers are met — not the needs of airline management.

Aside from their recent contract, workers in the bargaining unit understand why it's important to be a Teamster.

"You need a union for fairness reasons. Not everybody is treated fairly and you need a union that's going to be able to keep things evenhanded," Cheatham said. "I've been in other unions but the Teamsters are the strongest. The question really is, 'Who has strength in numbers?' It's the Teamsters."





WOMEN BUILD UNITY at Local 480

SPEAKERS AT THE CONFERENCE

- Cheryl Johnson, President of the Teamsters Women's Caucus, who spoke about women's leadership roles in the Teamsters;
- Teamsters International Vice President Dotty Malinsky on Teamster women making it to the top of the organization;
- Local 480 Recording Secretary Dana Barrett on women's history issues;
- Teamsters DRIVE Representative Nancy Yoke on the need for women to get involved in the political process;
- Nashville attorney Julia Smith on workman's compensation law;
- Nashville City Council Representative Janice Santana on her political career;
- Local 480 member Avalon Rogus on the Central States Pension Plan;
- Teamsters Communications Coordinator Eugenia Gratto on using the web to reach Teamster women;
- Sherri Samson, the bookkeeper and member benefits coordinator at Local 528 in Atlanta, Georgia, on a personal health crisis that spurred her to take better care of herself and to encourage other women to do the same; and
- Steve Sullivan, Director of Education for Local 25, about his work with the "Skills for Tomorrow" program and how women can get involved in that education initiative.

TEAMSTER WOMEN SHARE STORIES
OF SUCCESS AND INSPIRATION IN NASHVILLE



"This conference has refreshed my memory of just how strong Teamster women can be and will always be. They are full of determination."

— JAN WEST, UPS DRIVER, LOCAL 402

With more than 350,000 female members, the Teamsters rely on the power of Teamster women to remain at the forefront of the labor movement.

That power was in full bloom when Local 480 in Nashville, Tennessee hosted their first women's conference, "Building Bridges for Tomorrow." At the conference, Teamster women from Tennessee, Georgia and Alabama gathered at the local to discuss the role of women in the union and ways to become more involved.

"You're here to learn, and 33 years ago, I was in your seat," said Cheryl Johnson, President of the Teamsters Women's Caucus. "We need to organize, speak our minds, get out in the field and let people know there are women ready to step up."

"Our biggest resource is each other," said Dottie Malinsky, an International Vice President. "As you climb toward the top of your union jobs, you need to reach down and bring along your union sisters."

Determined To Succeed

Jan West, a UPS driver out of Local 402 in Muscle Shoals, Alabama, traveled to the conference with Annette Burchom, another Local 402 member who works as a driver at Reynolds Alloys in Sheffield, Alabama. West said the pair calls themselves "the original Mother Truckers." They have both been members of the local since the 1970s.

Burchom did not start out as a driver—she said it took her seven years to gain enough seniority to score a successful bid for that position. She said when she started out at the plant, male workers took bets that she'd fail during her 45-day probation period. It was that kind of challenge, she said, that made her even more determined to succeed.

Burchom said she remembered hitting the \$10-per-hour wage level. "It was unheard of for a woman to make that kind of money back then," she said. She said it was a Teamster contract that allowed her to support her family as a single mother. West agreed.

"I wish all the women in our union had the opportunities I've had," West said. "This conference has refreshed my memory of just how strong Teamster women can be and will always be. They are full of determination."

Gina Sawyer, a UPS driver and Local 480 member who attended the event, said she was equally pleased with the energizing sessions and interaction with other Teamster women.

Dana Barrett, who helped lead the organizing committee for the event, said the conference was another way for Teamster women to help educate themselves and prepare to lead.

"We need to be working together," she said. "I'm excited about the future."



2003 Teamster Women's/Human Rights Conference

SAVE THE DATE!

March 6-9, 2003

Baltimore, Maryland

Come experience an educational and entertaining meeting in the historic city of Baltimore. We will also be giving tours of the International building. **See you there!**

For registration information call **202-624-8785** or fax your request to 202-624-7457

A registration form is on the web at www.teamster.org, or e-mail us requesting a form at speialevents@teamster.org



FREIGHT UNION '03

Teamster Negotiators Stand United



Teamster National Master Freight Agreement (NMFA) negotiators have stood united in sending the companies a strong message that the union will fight for a good contract.

"The companies have been put on

notice that we will fight for job, pension and healthcare security along with a meaningful wage increase," said Phil Young, Co-Chairman of the Teamsters National Freight Industry Negotiating Committee (TNFINC).

"Instead, we have told management that the contract must include improvements in a variety of areas. We are united in that message," Young said.

The current NMFA expires on March 31, 2003, and the second round of supplemental contract talks concluded November 26, 2002.

National Talks Delayed

An illustration of the union's resolve came November 26, when Teamster negotiators postponed the start of talks on the national portion of the contract, which had been scheduled to begin the week of December 2 in Washington, D.C.

Instead, the union continued negotiating the supplemental agreements that week, wrapping up December 5 with most supplements completed. Following the completion of the supplements, the union then

exchanged national contract proposals with the employers (see accompanying story).

The major companies negotiating the NMFA are Roadway Express, ABF Freight System, USF Holland and Yellow Transportation.

The supplements do not address monetary issues, such as wages and pensions. Those issues will be addressed at the national talks.

Rather, the supplements — which cover specific geographic regions — address items such as work rules and conditions, time off, exercising of seniority, delay time, and vacation applications.

October 8 Kickoff

Young and Teamsters General President Jim Hoffa kicked off NMFA negotiations on Tuesday, October 8, 2002 with management representatives.

"The Teamsters will not accept an agreement that fails to address the needs of our members," Hoffa said October 8. "We will not settle for anything less than a contract that rewards our members for the work they do and the wealth they create."

Hoffa and Young appeared at a news conference in Washington, D.C. on October 8 where they exchanged bargaining goals with Jim Staley, President and Chief Operating Officer of Roadway Express, and Timothy Lynch, President and CEO of the Motor Freight Carriers Association, which represents the Teamster freight companies.



"Two-Man" Review

On October 14, 2002, the TNFINC presented the contract proposals to representatives from each freight local union during the "two-man" review. The group unanimously endorsed the union's proposals, setting the stage for the supplemental talks.

"There are many strong proposals, including limits on subcontracting, increased sick leave and improvements in health and safety," Young said.

The proposals endorsed by the leaders contain mostly non-economic items. Economic items, such as wages and pensions, will be introduced at a later date.

The current NMFA covers about 65,000 Teamsters.

Economics

Following the news conference on October 8, the Teamsters Union presented its perspective of the freight industry and outlined its expectations to management representatives.

Teamsters Research Director Mike Conyngham presented a report on the

economics of the industry.

"Despite the fact that we recently lost Consolidated Freightways, the remaining carriers posted record profits as recently as 2000," Conyngham said.

While the recession has hurt the unionized trucking companies, the problems the industry is facing are not unique,

Conyngham noted. The industry is poised for an economic rebound when the economy picks up.

The Teamsters expect meaningful wage increases in the new contract. The union also wants to maintain health and welfare benefits and improve job security, which is a top priority of members.

TEAMSTERS EXCHANGE NATIONAL FREIGHT CONTRACT PROPOSALS

Teamster negotiators exchanged national contract proposals with freight management representatives Thursday, December 5, 2002 in Washington, D.C. after both sides resolved nearly all of the National Master Freight Agreement (NMFA) supplemental contracts.

"We had an understanding with the employers that we would come close to finishing the supplements before beginning national talks, and we are nearly done with those agreements," said Phil Young, Co-Chairman of the Teamsters National Freight Industry Negotiating Committee (TNFINC). "We have achieved major improvements in all of the supplements, and we now look forward to beginning work on the national portion of the contract."

National negotiations began December 16 in Washington, D.C.

The national proposals exchanged December 5 were primarily non-economic and did not include specific numbers regarding wages or benefit contribution levels. Those issues will be negotiated in coming sessions.

"The national talks will be the most difficult because we will be seeking fair compensation for our members, along with job, pension, and health security, and significant changes in non-economic language," Young said. "But we're ready for that challenge because our union and our members are united. We look forward to negotiating a strong contract that our members can be proud of."



TEAMSTERS SEEK MEMBER INVOLVEMENT

While the Teamsters Union has freight negotiators with decades of experience advocating for members, the union wants to make sure that rank-and-file members continue to play a key role in contract talks.

"The members have already given the negotiating team valuable input through proposal meetings and in contract surveys," said Phil Young, Co-Chairman of the Teamsters National Freight Industry Negotiating Committee (TNFINC).

"We want to keep members informed through the whole process," Young said.

As a result, a toll-free contract campaign hotline has been established where members can get the latest contract information. The number is (866)-TEAMSTR.

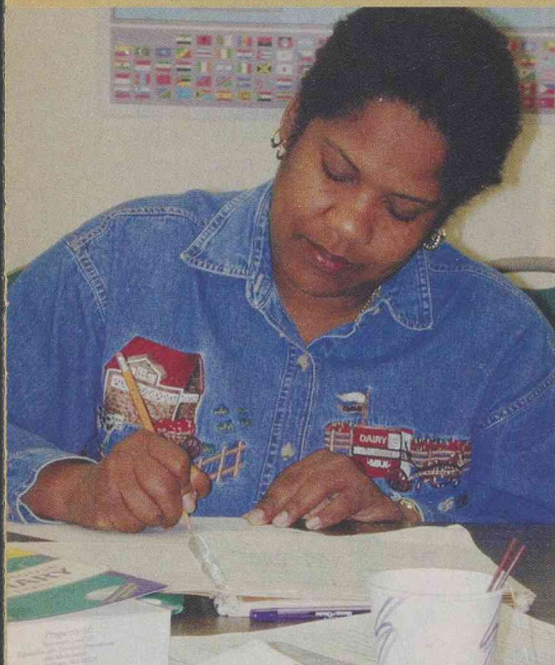
Also, a website dedicated to the campaign www.freightunity.org — has been established. The website includes the latest news, messages from Teamster leaders and campaign information that may be downloaded.



FREEDOM OF

Express

Boston's Local 25 Brightens Futures With ESL Classes



Effective communication is always a key ingredient in successful union endeavors. And at Local 25 in Boston, the Teamsters are fulfilling the promise of the future by offering ESL (English as a Second Language) classes to members of the local and surrounding community.

In helping members of their community gain a grasp of English, Local 25 is also teaching the importance of unions. During a recent janitor's strike in Boston, management tried to hire immigrant workers as replacements. But students in the ESL program had already learned, "If you need work, look for a job where workers are not on strike."

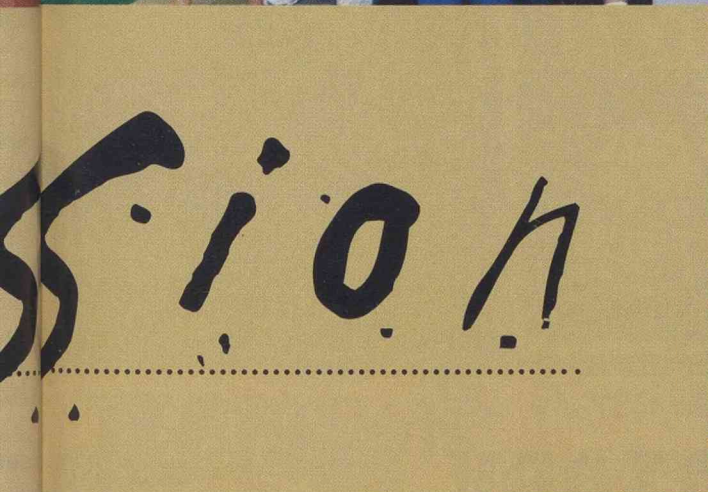
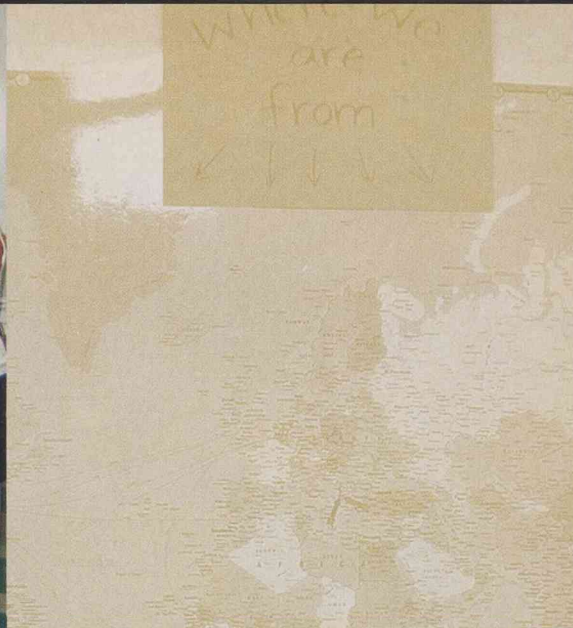
"Learning to speak and read English opens opportunities for education and advancement," said George Cashman, President of Local 25 following the graduation of the local's first ESL class. "It also gives workers a common language to

share their struggles and band together against ruthless employers."

People have always come to America with hopes of a better life for themselves and their families. When they arrive, they often find dead end jobs with poor wages, no benefits, no security and no future—and powerful companies that don't have to listen to workers' pleas for decent treatment. Amy Battisti-Ashe, a Local 25 organizer and ESL teacher, feels that by strengthening ties with immigrant communities the union becomes stronger as well—that their struggles are the same. However, workers without the ability to speak English are at a far greater disadvantage.

Help for the Future

"A lot of programs by companies take the approach that workers are broken and in need of an upgrade," said Battisti-Ashe, who is fluent in English, Spanish and Portuguese. "We take the approach that these



ner people have talents, skills and valid experiences to build on. We're just here to facilitate the learning process."

In the classroom, students are encouraged to speak and relate their experiences in English instead of their native languages. Battisti-Ashe uses union issues as a teaching tool with exercises including words like "scab," "solidarity" and "strike", explaining the need for all workers to unite and support each other.

The main objective of the classes is to help people in the community improve their futures. And by participating, students develop a better understanding of the positive aspects of unions. The classes serve the future of the students as well as the Teamsters—and the camaraderie between the students and Battisti-Ashe is evident.

"I love America and I love my teacher," said Enton Lame, an Albanian-American and Local 25 member who works at UPS. "My union has helped me. I work part time, but get full time benefits."

LOCAL 495'S SPANISH WEBSITE IS A HIT

Latino membership in the Teamsters is at an all-time high in Southern California. Local 495 in Pico Rivera has responded to the needs of their Latino members with a Spanish-language website to keep them informed and up-to-date on issues that affect Local 495 Teamsters.

"Every local in Southern California has a heavy Latino population," said Bob Lennox, Local 495's Secretary-Treasurer. "They are fantastic union members and it is essential that we have an outreach for that part of our family."

The website, <http://www.teamsters495.org/español/index.htm>, offers non-English speaking members access to the same information on the local's website as English-speaking members.

Members Getting the Respect They Deserve

Through the Spanish-language website, Teamsters can download grievance forms, review their union rights and keep abreast of the local's latest news. Up and operating for more than a year, the website is currently receiving more than 45,000 page views a month.

"It's a great idea and it helps everybody," said Felipe Contreras, a shop steward and 33-year member of Local 495.

In addition to the website, Local 495 prints all their contracts in Spanish.

"Our union is always improving itself," said Gabriel Ruvalcaba, a shop steward and 30-year Local 495 member. "Communication is so important and language is how we communicate. It is nice to see all Teamster members get the respect they deserve."



36 HOURS TO VICTORY

Local 814 Successfully Negotiates Contract After Triumphant Strike

Moving and storage workers at Teamsters Local 814 in New York City went without a strike for more than 30 years but that didn't mean they were out of form when management demanded concessions in June. Far from it.

Management of the largest commercial moving and storage companies in New York City were demanding concessions from their Teamster workers but the rank-and-file wouldn't budge. After rejecting two contract offers from management, about 600 workers went on strike, employing ambulatory pickets.

According to the strikers, the union members had three things on their side: Unity, unity and unity.

"We all wanted to stick together and we did," said Louis DePirro, a 21-year Teamster working for Capital Moving and Storage. "Management didn't think we were this strong but we stood together for our rights and it all worked out."

The strike began on June 20 and ended on June 21. It only took them 36 hours to radically cripple the commercial moving and storage industry and get back to the bargaining table. Once there, management dropped most of their demands for conces-

sions like wage cuts and additional tiers of lower-paid employees.

"The employers were surprised by the solidarity shown by the members. Everyone pulled together and did a great job and we got a pretty good contract out of it," said Peter Furtado, President of Local 814. "It also helped that we stopped every job in the city that the bosses tried to perform."

Other organizations helped the Teamsters make the strike effective. Teamster locals, other building and construction trade unions, Joint Council 16, building managers and the New York Police Department all coordinated to keep the strike running smoothly.

"The commercial moving and storage industry is huge here. We service all the major companies and office buildings in Manhattan. That's why this was so successful," said Francine Furtado, Secretary-Treasurer of Local 814.

Ambulatory picketing was used because management tried to use replacement workers to make deliveries. The strikers would follow the trucks to their location and set up a picket in front of the building where the delivery was being made. Building man-



agers wouldn't accept deliveries made by scabs and non-union operators and Local 814 kept the police informed about where the pickets were going to be so barricades could be set up.

The new contract was ratified on July 11 by a 3-to-1 margin. Highlights of the new three-year contract include:

- Wage increases of 75 cents the first year 50 cent increases for the next two years. Chauffeurs will get wage increases of \$1.12 the first year and 87 cents each of the following two years.

- No cuts for industrial employees.
- No additional tiers like the proposed new industry employees who would have made up to \$3 less per hour.
- A 15 percent increase in monthly pension benefits;
- Life insurance policy triples in the third year of the contract.

Foster Adams of Certified Moving and Storage, has been a Teamster for 15 years. For him, the strike left an indelible impression on the power of the union.

"It was my first time ever to strike," Adams said. "It was just great. People would just walk by on the street and see our Teamster signs and would pick them up and walk with us. I'll never forget it."

"It was my first time ever to strike. It was just great. People would just walk by on the street and see our Teamster signs and would pick them up and walk with us. I'll never forget it."

— FOSTER ADAMS, CERTIFIED MOVING AND STORAGE



TEAMStar Annual Open Enrollment January 1 – February 28, 2003

During this period, Medicare-eligible Teamster retirees age 65 or older, their spouses and surviving spouses are guaranteed acceptance with no waiting periods regardless of any preexisting health conditions!

In addition to protection against high out-of-pocket expenses, here are some service features we know you'll appreciate:

- **Group buying power** — low group rates not available to the general public.
- **"Automatic" Claims Filing PLUS®** — *nationwide service* helps eliminate the mountains of paperwork associated with Medicare Part B claims filing and maximizes eligible benefits due under your coverage.
- **Freedom of choice** — No provider list and no referral process to see a specialist.

If you enroll after February 28, 2003, you will need to qualify by answering the health questions on the application and certain waiting periods may apply. Retirees will receive a TEAMStar information packet in the mail in late December.

**For additional information, call 1-800-808-3239
or visit our website at www.teamstar.com**

RAE61106

Probation Officers Find Teamsters Arresting

Teamsters Political Clout One of Many Reasons for Joining

Probation officers know what's good for the community. Protecting members of society is the heart of their profession.

By voting to join Teamsters Local 856 in San Bruno, California, a 242-member unit of Adult and Juvenile Probation Officers are protecting themselves in much the same way that they defend the community. The peace officers are employed by Alameda County in California.

The new members joined other Bay Area Probation Officers and Juvenile Counselors in Marin, San Mateo, Tulare and San Francisco County already represented by Local 856.

"They needed a bona fide union that would guarantee member involvement and political influence," said Mike McLaughlin Sr., Secretary-Treasurer for Local 856. "The workers realized just how much the Teamsters could do for them."

An Influential Rally

The probation officers already knew of the Teamsters' long history as the most powerful labor union in the United States, but there were other issues they needed addressed. Any fears the workers had were put to rest at a September 21 political rally in Oakland.

"The Teamsters work with

so many politicians and have real power in Washington, D.C. and the rally really showed that," said Nathan Hill, a deputy probation officer now with Teamsters Local 856. "The Teamsters are in a position to get policies in place that can help us do our jobs better and make working conditions better. That, in turn, makes our community a better place."

General President Jim Hoffa spoke at the event but he wasn't the only one the probation officers heard. At the rally, these workers witnessed Teamster unity and political clout when they heard California Governor Gray Davis, U.S. Senator Barbara Boxer, State Attorney

"The Teamsters work with so many politicians and have real power in Washington, D.C. and the rally really showed that."

— NATHAN HILL, LOCAL 856 MEMBER

General Bill Lockyer and State Senate President John Burton thank the Teamsters for their support.

"I think the rally showed



that the Teamsters truly have political support," said Rick Martinez, another deputy probation officer who joined the Teamsters. "My father was in Local 70, and I grew up in a Teamster household. I already knew of all the benefits. But it's not all about the benefits and pay. It's about being able to get a lot of other things done."

Other Reasons to Join

Of course, it wasn't just politics that led these workers to the Teamsters.

"We looked around to see what was available to us and met with some representatives from Local 856. They seemed solid and knowledgeable," Hill said. "It turned out that our

assessment of them was very accurate. The local gave us 100 percent support and stood by us the whole time. They were always accommodating and professional. That went a long way with the other officers."

Hill said the group also looked at the history of the Teamsters and the role they played in the American labor movement. They realized they weren't just joining a union but taking part in history.

"It's important to be a Teamster in this business because you have to be affiliated to protect the workers. This wasn't just about the probation officers or the peace officers — this was about everyone who works here," Martinez said.

Keystone Quality Transport

Paramedics and emergency medical technicians (EMT) at Keystone Quality Transport in Philadelphia voted to join Local 463. The employees chose the Teamsters by more than a 7-1 margin.

"These workers make sure that the sick and injured are treated in a professional manner. They want the same dignity and respect that they give their patients," said Robert Ryder, Secretary-Treasurer of Local 463. "They knew that Local 463 had the reputation to provide just that."

The company is one of the largest ambulance and para-transit companies in the area. And there are currently three other depots where workers are organizing to join the newest members of Local 463.

"We knew Local 463 was the union for us when we talked to other Teamsters on the street. We never had a doubt about who would win this election," said James Mayden, an EMT at Keystone.

LOCAL 769

Keebler

Thanks to a recent organizing victory at Local 769 in Miami, Florida, Keebler snacks are now warehoused and delivered by new Teamster members.

The 21-member bargaining unit faced the usual challenges of half-truths and manipulation from management.

"Keebler pulled out fear tactics by telling the workers that they would have to strike for a contract and that they would lose their benefits," said Daisy Gonzalez, Local 769

Business Agent. "We were determined to use positive reinforcement with hand-billing, mailings and work site meetings to answer their questions with honest responses."

"We were determined to use positive reinforcement with handbilling, mailings and work site meetings to answer their questions with honest responses."

— DAISY GONZALEZ, LOCAL 769
BUSINESS AGENT

LOCAL 631

C. Martin

Service workers at C. Martin, a joint venture contractor with DynCorp at the Nellis Range Complex, joined Local 631 in Las Vegas after the company granted card check recognition to the group.

The organizing victory was the local's ninth winning campaign in a row at the test site. Those victories have garnered more than 800 new members.

"This is another great win for Local 631," said Ray Isner, Local 631's Director of Organizing.

LOCAL 728

Waste Management

Almost two-thirds of a unit of 82 drivers and mechanics at Waste Management's Atlanta-South facility voted for a Teamster voice at work.

The lopsided vote was achieved despite the compa-

ny's intense efforts to dilute union strength by including workers from two recently acquired independent sanitation firms.

Local 728 President Waymon Stroud chose not to litigate over the workers, saying, "Either we will convince them of our way of thinking, or we'll beat them with the core group that we have." That strategy proved dramatically successful.

"We were simply fed up with the company's policies," said Dale Respass, a 10-year driver at Atlanta-South and the lead organizer. "The local and the International worked together to help us achieve the better working conditions and fair pay we deserve."

LOCAL 395

Northern Resource Trucking

Local 395 in Saskatchewan, Canada now represents 35 owner-operator drivers who haul materials into uranium mines.

The drivers haul propane and other mining supplies into the mines. They work for Northern Resource Trucking of Saskatoon.

"We're hearing from the drivers that there are more owner-operators watching what happens," said Randy Powers, a business agent and organizer with Local 395. "Hopefully other owner-operators will contact us when they see what we can do."

LOCAL 992

Roadway Express Inc.

Local 992 in Hagerstown, Maryland won card-check recognition to represent 23 Roadway Express Inc. office employees at the com-

pany's Hagerstown break/bulk terminal.

"This is a good victory for our local," said Tom W. Krause, Local 992's Secretary-Treasurer. "It's a tribute to these new members who stood up for what they believed in."

Local 992 now represents all union-eligible employees at Roadway's Hagerstown terminal, including maintenance employees, dock workers, switchers, janitors, and road and city drivers.

LOCAL 100

Jefferson Trucking

Jefferson Trucking Company employees voted by more than a 3-1 margin to join Local 100 in Cincinnati, Ohio.

"This group was very happy with the outcome of the vote," said Butch Lewis, a Local 100 business agent. "Job security and health care were their main concerns."

In addition to the 30 trucking employees, Local 100 recently welcomed 17 engineers and water workers from Monroe Township who voted in favor of Teamsters representation.

LOCAL 26

Jackson Plastics Inc.

Workers at Jackson Plastics, Inc. voted overwhelmingly to join Local 26 in Danville, Illinois.

"The people finally realized that the company was not going to keep the promises that were made," said Tim Donovan, Business Agent for Local 26. "The only other choice was to seek the security that comes with a Teamster contract."



Storming the

TEAMSTER ENDORSED CANDIDATES CAPTURE KEY GOVERNORS' SEATS

Contrary to popular opinion, Washington, D.C. is not the only city in America where important decisions happen. Every day, in 50 state capitals across the U.S., the nation's Governors make decisions that affect the lives of Teamster members. Thanks to a political action campaign for the 2002 elections, the Teamsters were able to elect our friends to many key governorships. ★★ ★ A Teamster endorsement means more than a "grip and grin" picture with the candidate. The International funded more than 300 political field operatives to go into states and turn out Teamster members to the polls. In addition to the aggressive field effort, the union's political action committee D.R.I.V.E. (Democrat, Republican, Independent Voter Education) gave extensive financial support to the endorsed candidate. The field and financial support were followed up with rallies, targeted mailings and phone banks in the effort to elect Teamster friendly candidates.

Early Endorsements Make a Difference

Michigan Teamsters got on board early in Democrat Jennifer Granholm's successful campaign for Governor. The members chose to give their endorsement in 2001, well ahead of the primary election.

"Our members supported Ms. Granholm when she was elected as Michigan Attorney General in 1998," said Bill Black, Michigan Teamsters Political Director. "We've enjoyed a wonderful working relationship with her. From the day she announced her candidacy, we were excited to support her."

In similar fashion, Republican Governor George Pataki received his endorsement for a winning reelection bid early on. In May of 2002, General President James P. Hoffa appeared at a rally with Gov. Pataki.

"While Governor Pataki deserves this endorsement on his record alone, our endorsement is part of a larger effort to build a bipartisan, pro-worker political consensus in our country," Hoffa said. "The labor movement is no longer beholden to a single political party."



The Granholm and Pataki endorsements came at a time when other unions were not endorsing yet, or had endorsed opposing candidates. "The early endorsements show the increased political awareness of our members," said Mike Mathis, Teamsters Government Affairs Director. "They know that we have to support candidates who support our union, regardless of what other unions do."

Statehouses

AT Sweeping Across the Midwest

Thanks to the hard work of rank and file members, Teamster-friendly Governors were also elected across the Midwest. In Ohio, Republican Governor Robert Taft cruised to an easy reelection. His endorsement was a no-brainer as Gov. Taft pledged to not sign any Right-To-Work legislation that crossed his desk.

"That pledge was big to our members," said Les Singer, President of the Ohio Conference of Teamsters. "A Republican who

wants to work with us on defeating Right-To-Work is more than worthy of our support."

In Illinois, Democrat Rod Blagojevich left his seat in the U.S. House of Representatives to win the governorship.

"While he served in the House, Rod Blagojevich had a 94 percent pro-union voting record," said Keith Gleason, President of the Illinois Conference of Teamsters. "Our members knew his record well and turned out in droves to vote for him."

"In Illinois, for the first time, both Joint Councils joined together to promote a slate of pro-Teamster, pro-worker candidates," said John T. Coli, Joint Council 25 President. "It's a first, but big step in rebuilding our political clout."

The Teamsters' political success in the Midwest didn't stop with Illinois. Rank-and-file members worked together with political field staff to elect Teamster-friendly Governors in Iowa, Kansas and Wisconsin.

"Wisconsin Teamsters were never so involved in electing a governor as they were in 2002," said Fred Gegare, International Vice President and President of Joint Council 39. "We got behind Jim Doyle in the primary and worked tirelessly to ensure that he found a home in Madison."

"Most elections in these states were very close," Mathis said. "By voting based on the issues, our members were able to tip the balance in favor of pro-Teamster candidates."



Building a Teamster Majority

Despite losing a few key U.S. Senate races, the Teamsters were able to make progress in the fight to elect a Teamster majority in Congress. In Texas, Republican Attorney General John Cornyn rode the strength of a Teamster endorsement in his victorious Senate campaign.

As the Republicans strengthened their majority in the U.S. House of Representatives, the Teamsters added to our strength as well. In Pennsylvania, Tim Murphy was elected from the 18th Congressional District.

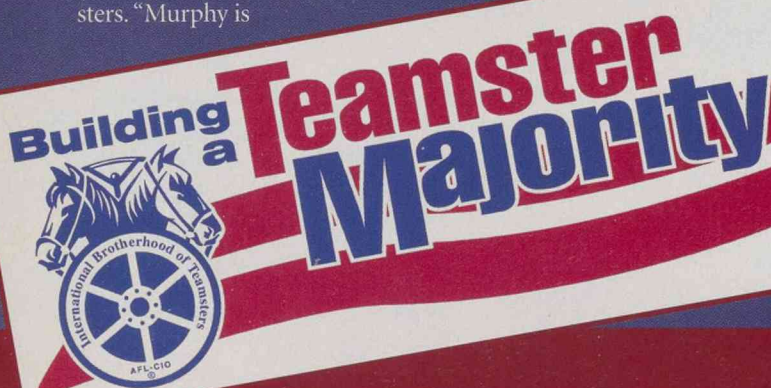
"The Pennsylvania campaign is a good example of our bipartisan approach," said Ed Keyser, President of the Pennsylvania Conference of Teamsters. "Murphy is

a pro-labor Republican, but at the same time our members were voting for Democrat Ed Rendell in the Governor's race."

In North Carolina, a seat was gained in the U.S. House due to the 2000 census. The newly created 13th District was won by Teamster-endorsed State Senator Brad Miller.

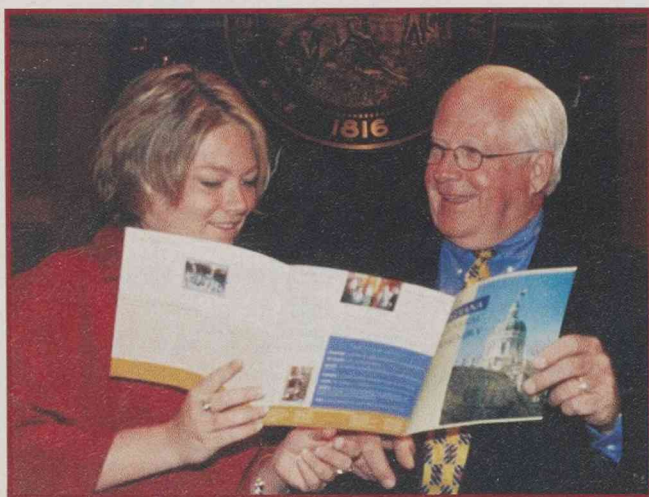
"Our relationship with Brad Miller goes way back," said Jack Cipriani, Local 391 President and Eastern Region Vice-President. "We seek to build relationships with candidates as they begin their political careers. That way, we have a track record of working together as candidates seek higher office. This was certainly the case with Brad Miller; he was receptive to our concerns in the North Carolina Senate and we look forward to working with him in the U.S. House."

The results of the 2002 elections will now provide an important opportunity for the Teamsters Union. "With the Republicans firmly in control of both houses of Congress and the White House, we have to hold them accountable," Mathis said. "The GOP has sought Teamster support for a long time. Our members supported Republicans where it was to their advantage and now it's time to see some definitive results from that support."



His Other Home Is At The State Capitol

Northern Indiana Teamsters Take Pro-Active Approach To Local and State Politics



When the Indiana Legislature works late into the night many workers are beginning the third shift at factories and plants across the state. Still, other workers are falling off to sleep to rise early to drive their truck to docks for pick-ups.

One Teamster at Local 142 in Gary, Indiana decided it was time that working people had one of their own at the state capitol when these late night deals were fashioned to present their views and that's why he became a registered lobbyist.

"This process is a natural evolution of the direction organized labor must move towards," said Carl Vonasch. "By covering all of our bases big business and anti-labor politicians will have no choice but to reserve a seat at the table for working people."

A Great Idea Comes To Forth

Two years ago, at the prompting of Local 142 leaders, Vonasch attended the Teamsters Political and Legislative Conference in Washington, DC. He learned a lot. He also picked up news skills to bring back and share with local co-workers and membership.

The training taught Vonasch that the sooner you form relationships at the state and local levels the better equipped Teamster members will be to defeat anti-labor policies. After holding discussions with Local 142 Secretary-Treasurer Richard Kenney and gauging the

Long Haul

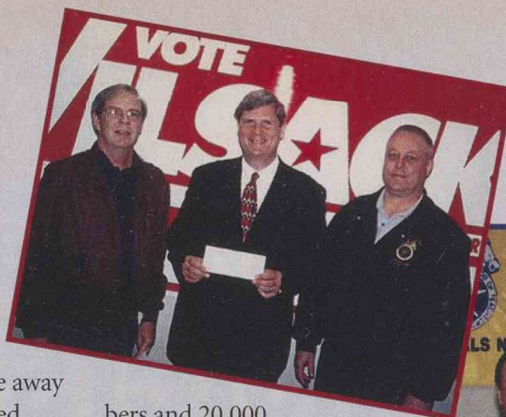
Teamsters Start Careers in Truck Stops, Reach Governors' Mansions

There is not a lot of difference in driving a truck and running for Governor. Both require long hours on the road, time away from family and an endless supply of fast food. Democrats Ted Kulongowski and Tom Vilsack know the routine all too well. Both men are former Teamster truck drivers and were elected as the Governors of Oregon and Iowa, respectively.

In Oregon, Joint Council 37 worked hard to make a difference in the gubernatorial election.

"We pulled no punches and came out of the gate early in support of Kulongowski," said Darel Aker, Joint Council 37 President. "The endorsement was really an easy decision for our members because he supports our union on important issues. Further, he has experience in every branch of Oregon government. Ted Kulongowski worked his way through college and law school as a Teamster driver, so he's clearly one of our own."

Aker also credits the voting strength of 30,000 Teamster mem-



bers and 20,000 Teamster retirees in the state of Oregon.

In Iowa, Gov. Tom Vilsack cruised to an easy reelection, thanks in large part to the support of the Iowa Conference of Teamsters.

"Our relationship with Governor Vilsack is very strong," said Wil Ewhart, President of the Iowa Conference of Teamsters. "In 1998, our endorsement helped him become the first Democrat in 30 years to capture the Governor's seat. Gov. Vilsack has a lot of credibility with our members because he's been a Teamster member himself."



LOCAL 142'S EFFORTS BENEFIT ENTIRE STATE

As a direct result of Vonasch's work, Local 142 was credited with helping save a local law enforcement academy. The Northwest Indiana Law Enforcement Academy was hanging by a thread until Vonasch combined the backing of his local's leadership with state Sen. Rose Ann Antich's efforts to appropriate money and get the bill passed. The measure sets aside one cent of each dime that goes to the Lake County Convention and Visitors Bureau will generate enough funds to keep the one imperiled academy open.

In another development Vonasch worked with state officials to extend the hours for casino boats to dockside of flexible boarding, thereby allowing the boats to stay open longer and pump more money into the local economy. The extension of hours helps fortify Teamster jobs by making sure that all business in the community benefit thereby reducing the likelihood that any workers will be laid off.

"In the past Teamster members would almost never have been involved in these decisions and now we not only are earning a spot at the table, we've got a reservation," said Vonasch.

interest of many of his municipal Teamster members Carl filed the paperwork to become a lobbyist.

"A local's leadership must continuously look for ways to improve the lives of its members," said Kenney. "We recognized that an important way to do that is to negotiate good contracts but it's not the only way. We must not only be active in politics to improve their lives we must be an intricate part of the puzzle."

State Leaders Respond

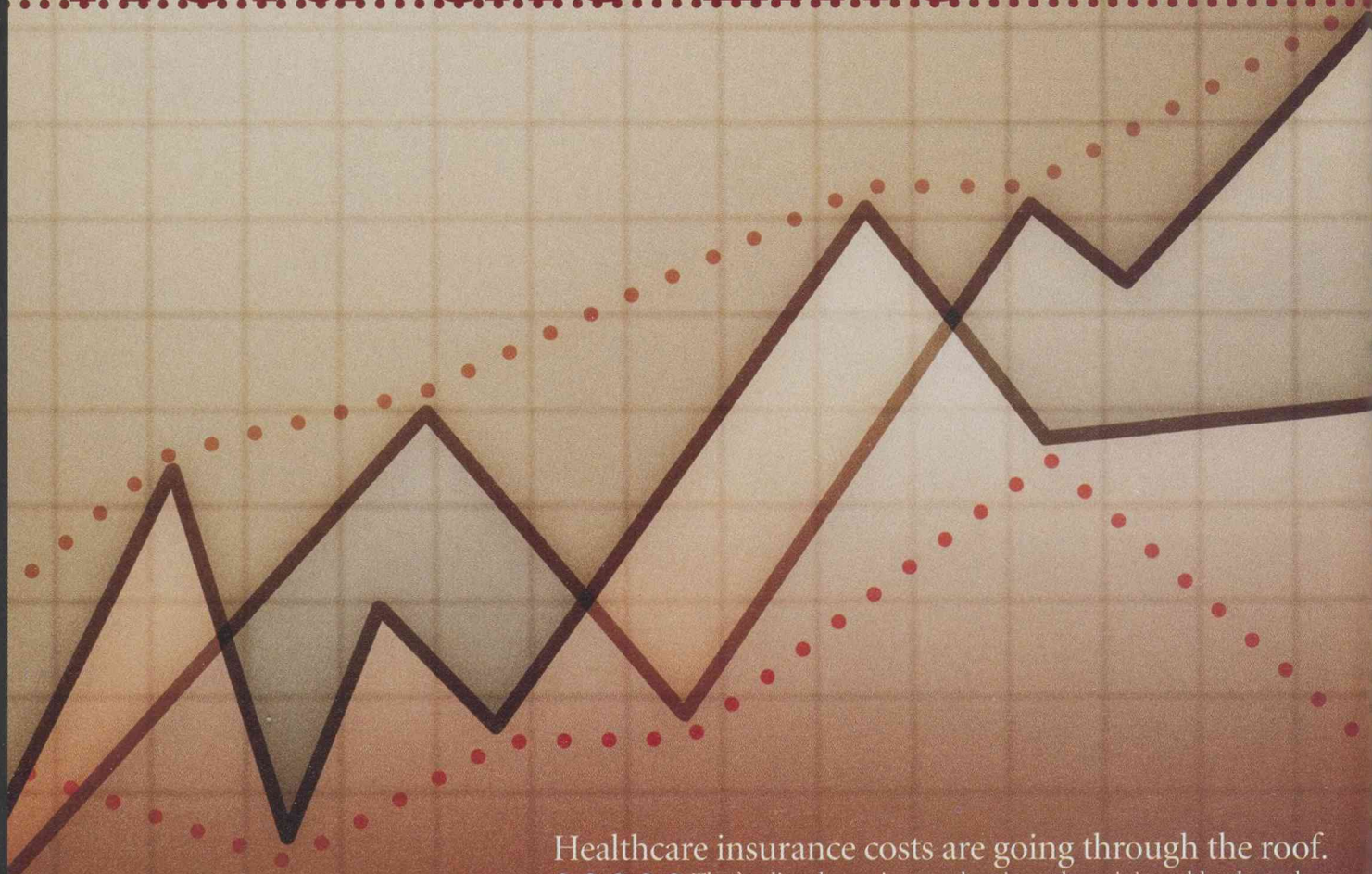
In two years as a registered lobbyist Carl has seen immediate results and Local 142 members, state officials and their staffs have taken notice.

"Our office has a terrific relationship with Carl and we value his work as a lobbyist," said Sallie Nedins a legislative aide to Indiana House Speaker Chet Dobis.

"Carl is an asset and an attribute as a legislative liaison for Local 142 and when he joins forces at the state capitol to help working people there's very little we can't accomplish," said Sen. Rose Ann Antich (D-Merrillville, IN).

"Having a Teamster member who knows his way around the state capitol makes a big difference," said Nobert Sanchez, Shop Steward for the Gary Sanitation Department and member of Teamsters Local 142.

With Health Care Costs Rising, Teamsters Are Fighting to Hold the Line



Healthcare insurance costs are going through the roof.

● ● ● ● ● That's a line that unions are hearing at bargaining tables throughout the United States these days. And that means Teamsters and other unions are now facing a growing number of employers who want workers to pay more of the costs for health insurance benefits, or are facing rising costs in Teamster health and welfare plans. Either way, as health care costs rise, workers' wages throughout the United States are under pressure.

With pharmaceutical companies and health maintenance organizations (HMOs) putting the bottom line before patient care, health insurance premiums have been soaring as health care corporations seek bigger profits. [See sidebar on profits.]

Employer costs for health insurance rose 13.7 percent this year and are expected to increase 15.4 percent in 2003, according to a survey of 2000 health plans by Hewitt Associates, an Illinois-based employee benefits consulting firm. The average

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UNIONS DELIVER BETTER BENEFITS FOR WORKERS

Teamsters and other union members are much more likely than non-union workers to have fully-paid health insurance benefits. According to a government survey of employee benefits, **52%** of union workers enjoyed fully-paid health insurance benefits compared with only **30%** of non-union workers. In terms of family coverage, only **14%** of non-union workers had the fully-paid benefits compared with **48%** for union workers.

cost of providing health-care coverage per employee is projected to rise next year to \$6,295 from \$5,456, according to the survey.

Faced with the higher premiums, employers are pushing harder to transfer these higher costs to employees.

As the Hewitt survey found, for the first time in five years, the employee-paid portion of the health insurance cost is rising, going from about 17% to 19% of the total. As a result, individual employees' share of the costs is expected to jump on average from \$927 this year to \$1,196 in 2003.

Tough Fights for Teamster Plans

Many Teamsters currently enjoy fully-paid health insurance benefits. But higher health insurance costs mean that tougher battles are ahead as the union fights to maintain wages and benefits.

In Fort Bend, Indiana, for example, members of Teamsters Local 364 at Scott Brass overwhelmingly voted against a company contract proposal that would require employees to start paying \$31.50 per week toward health insurance costs, according to Local 364 Business Agent Bob Warnock. Although the union anticipated Scott Brass to seek employee contributions, the members said the amount was too much and that the proposal placed no cap on the amount to be paid in the later years of the contract. The members went on strike in late October over the company's proposal.

While some Teamster members are currently required to pay a portion of their health insurance premiums, the fact is that union workers have the power to negotiate and limit the size of any employer-demanded increase. For most non-union workers, however, there is no choice but to accept whatever cost increase the company decides to impose.

Another way the Teamsters are winning in the battle against higher health insurance costs is through Teamster multi-employer ("Taft-Hartley") health funds. Unlike for-profit plans, Teamster plans are more affordable, since CEO's and shareholders are not inflating prices to boost earnings and administrative costs are generally lower.

In the town of Moriah, New York, for example, highway, water and sewer department employees represented by the Teamsters have not been faced with higher costs. That's because the town is able to utilize the union's reasonably priced health insurance for all of its employees. "Our health insurance isn't up, like so many other towns. The Teamsters plan has saved us," noted Moriah Supervisor Walter Rushby Jr.

AS WORKERS GET SQUEEZED, HEALTH INSURANCE COMPANIES RAKE IN THE PROFITS

The nation's HMOs and health insurers reported a 25% increase in profits for 2001, earning \$4.1 billion for the year, compared to \$3.3 billion in 2000, according to research by Weiss Ratings, Inc., and independent ratings firm.

And as another report by A.M. Best Co. noted: "Health insurers are requesting hefty premium increases, which have jumped 13% over the past year, driven by soaring health-care costs, at a time when they are generating record profits."

Sources: Weiss Ratings Research (Sep. 3, 2002); A.M. Best Co, 'Justifying Premium Increases While Generating Record Profits' (Oct. 29, 2002).

Employer Costs for Health Insurance 1992 - 2001 (all civilian workers)

YEAR	COST PER HOUR WORKED
1992	\$1.13
1993	\$1.22
1994	\$1.27
1995	\$1.19
1996	\$1.17
1997	\$1.13
1998	\$1.15
1999	\$1.18
2000	\$1.25
2001	\$1.35

Source: U.S. Bureau of Labor Statistics

REPORT 70 TO ALL MEMBERS OF THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS

FROM: Independent Review Board
Benjamin R. Civiletti
Joseph E. diGenova
William H. Webster

DATED: November 8, 2002

I. INTRODUCTION

This is the Independent Review Board's ("IRB") Seventieth Report to you on its activities conducted pursuant to the Consent Order. In this Report, we will discuss matters that have recently come before us, including three new Investigative Reports and the current status of pending charges about which we have previously informed you.

II. NEW INVESTIGATIVE REPORTS

A. ANTHONY RUMORE - Joint Council 16, New York City

On October 17, 2002, the IRB issued an Investigative Report to the General Executive Board concerning Joint Council 16 President Anthony Rumore. The Report recommended that Mr. Rumore be charged with bringing reproach upon the IBT by failing to investigate whether Barry Feinstein, the former President of Local 237 and Joint Council 16, was a prohibited person. Mr. Feinstein was a prohibited person who pursuant to an agreement permanently resigned from the IBT to settle charges he embezzled approximately \$391,246 from Local 237. Paragraph E(10) of the Consent Decree provides that "officers, representatives, members and employees of the IBT, are hereby enjoined...from knowingly associating with...any person otherwise enjoined from participating in union affairs..."

The charges were referred to members of the General Executive Board. Mr. Hoffa recused himself and delegated authority to Mr. Keegel, as secretary to the Board, who indicated that the charges would be filed and proceedings before the Board would go forward. A hearing panel has been appointed.

B. LOCAL 456 - Elmsford, New York

On November 8, 2002 the IRB issued an Investigative Report to General President Hoffa recommending that Local 456 be placed in trusteeship. The Local is not being conducted for the benefit of its members. Since at least 1971, there has not been a contested election at the Local. The Doyle family has dominated the Local for years. The Local is rife with nepotism and has suspicious relationships with several employers. In addition, the Local's maintenance man performed personal work for members of the Doyle family while no Local records were maintained of his work hours and sometimes he was assisted

by a union member on the payroll of a Local 456 employer. Also, between February 1999 and March 2001, President Bernard Doyle caused the Local to pay well over \$4,000 for at least fifty-four dinners in New Jersey near his home, usually on a Friday or Saturday night.

Despite his June 1999 suspension for his part in a scheme in which the Local purchased vehicles at an inflated price and traded the previously purchased cars in to the same dealer at a deflated price, then President Edward Doyle, Sr., has continued contact with the Local, seemingly about union business. These contacts were facilitated when he was provided an office at the same address as the attorney for the Local, which office was located in the same town as the Local. He also continued as President of the Building and Construction Trades Council, which continuation deprived the Teamsters of an officer position on that Council, and he presided over at least three Council meetings held in Local 456's offices.

Admission to membership in the Local was governed by a highly unusual and arbitrarily applied process. Current President Bernard Doyle controlled who was permitted to join the Local and seems to have arbitrarily applied his power to exclude individuals.

Furthermore, the Local appears to lack proper financial controls. For example, it appears that the Local's Trustees did not verify the Local's bank balances monthly as the IBT Constitution required even though the Executive Board appears to have abdicated its responsibilities to members of the Doyle family. Loans to the Local's Holding Corporation of \$2.9 million were not approved by the Local's Executive Board as the bylaws required; only Bernard Doyle approved the loans. At least two Trustees did not know basic information about these loans.

Subsequently, General Counsel Szymanski informed the IRB of plans to impose an emergency trusteeship.

C. WAYNE TRAGNI - Local 813, Long Island City, New York

On October 7, 2002, the IRB issued an Investigative Report to Members of the Executive Board of Local 813 concerning member Wayne Tragni. The Report recommended that Mr. Tragni be charged with bringing reproach upon the IBT by failing to appear for his scheduled sworn in-person examination. Before the charge was filed and a hearing date was set by Local 813, Mr. Tragni requested and was granted a rescheduling of his examination, which was held on October 28, 2002. The IRB has the matter under consideration.

III. STATUS OF PREVIOUS IRB CHARGES

A. WILLIAM T. HOGAN, JR., AND DANE PASSO - International Representatives

We have previously informed you that International Representative and Joint Council 25 President William T. Hogan, Jr., and International Representative Dane Passo allegedly brought reproach upon the IBT by colluding

with employer Richard Simon of United Service Companies to cause Local 631 to enter into a substandard contract with a Simon company which would pay lower wages, make less benefit fund contributions and receive other concessions different than the existing collective bargaining agreement. Following a full hearing, the IRB in its decision of May 29, 2002, found the charges against Mr. Hogan and Mr. Passo to have been proved and permanently barred each from the IBT. The IRB's decision remains with United States District Judge Preska.

B. MICHAEL IANNIELLO - Local 522, Jamaica, New York

In the last issue of the *Teamster* magazine we informed you that Local 522 Principal Officer Michael Ianniello allegedly brought reproach upon the IBT by refusing to appear for his sworn in-person examination. Joint Council 73 President Donald DiLeo notified the IRB that the charge was filed against Mr. Ianniello, a hearing was held on September 26, 2002, and Joint Council 73 found Mr. Ianniello guilty as charged. He was permanently barred from the IBT and from IBT-affiliated entities. On November 5, 2002, the IRB requested that Joint Council 73 consider clarifying its sanction to include the standard language for officers permanently barred from the IBT.

C. LOCAL 901 - San Juan, Puerto Rico

In past issues of the *Teamster* magazine we informed you that the IRB recommended that General President Hoffa place Local 901 in trusteeship because the Local over a number of years allegedly engaged in a pattern of conduct in violation of the IBT Constitution and which prevented the members from obtaining information and exercising their rights. The Local allegedly made unauthorized and questionable expenditures of Local funds, had inadequate financial controls, and has never operated under approved Bylaws. Further, the Local's Executive Board allegedly engaged in a pattern of approving expenditures for Board members' benefit which Local members did not approve as required in the absence of effective Bylaws. The Executive Board allegedly established from the Local's checking and savings accounts, in addition to union pension rights, a retirement fund for Local officers which the Local's members never approved. When they terminated the plan after about four years, \$255,674 was distributed

to five Board members while they continued their employment.

The IBT conducted meetings in IBT headquarters in Washington, D.C., with the officers of Local 901, discussed the changes that must be made to the bylaws and the procedures for their approval by the membership, planned monitoring activities at Local 901 headquarters, and told the officers that the initial action would be supervision of the fall regularly scheduled election. On November 4, 2002, Mr. Szymanski informed the IRB that the IBT will investigate the matters identified in our report, the election will be supervised and the proposed bylaws for the Local are being reviewed.

IV. TOLL-FREE HOTLINE

Since our last report to you, the hotline has received approximately 80 calls reporting alleged improprieties. As in the past, all calls which appeared to fall within IRB jurisdiction were referred for investigation. Activities which should be reported for investigation include, but are not limited to, association with organized crime, corruption, racketeering, embezzlement, extortion, assault, or failure to investigate any of these.

Please continue to use the toll-free hotline to report improprieties which fall within IRB jurisdiction by calling 1-800-CALL-IRB (1-800-225-5472). If you are calling from within Washington, D.C., dial 434-8085. The IRB facsimile number is 202-434-8084.

V. CONCLUSION

As always, our task is to insure that the goals of the Consent Order are fulfilled. In doing so, it is our desire to keep the IBT membership fully informed about our activities. If you have any information concerning allegations of wrongdoing or corruption, you may call the toll-free hotline noted above or you may write to either the IRB Chief Investigator or the IRB office:

Charles M. Carberry, Chief Investigator
17 Battery Place, Suite 331
New York, NY 10004

Independent Review Board
444 North Capitol Street, NW
Suite 528
Washington, DC 20001



Family Affair

National Car Rental Workers at LAX are Represented by Mother/Son Team

It is said that only mothers can think of the future—because they give birth to it in their children. At National Car Rental at Los Angeles International Airport, the future and present are being thoughtfully taken care of by Local 495 shop stewards Renee Kyle and Morris Clardie.

In addition to looking out for the rights of their co-workers, Kyle and Clardie also look out for each other. The mother and son have more than 45 combined years with National Car Rental in which time they have worked together to help make the company a better place for working people.

"Their service as stewards and their service to the union is invaluable," said

Ken Walker, President of Local 495 in Pico Rivera. "They do an excellent job. And as long-tenured employees and union members, they know their rights and contracts and stand up for those rights."

A Shared Passion

It is common to find Teamster members singing the praises of union membership to family and friends. Nor is it unusual to find sons and fathers, sisters and cousins, or siblings working under the same Teamster umbrella. But rarely do you see a mother and son team working together for more than two decades, sharing the same passion for representing fellow employees and improving working conditions.

Kyle has been a National shuttle bus driver for 24 years. Two years into her job, her second child had the yearning to work and buy a car. She approached management asking if there were any openings. Soon after, Clardie was hired and became a service agent detailing the wide variety of vehicles in the National fleet. The Long Beach resident and father of two has now been with the company 22 years.

Proud to be Teamsters

"We're very close and communicate a lot with each other on any problems at work," said Kyle. "It's important to both of us to maintain our rapport with management so we can resolve a majority of the problems on our own." Kyle added that in addition to Clardie and herself, Sharon Carter and Phil Hicks also represent National workers as shop stewards.

Kyle, a proud mother of five, grandmother of 15 and great-grandmother of two, who delights her family with a mean peach cobbler and sweet potato pie sums it up:

"This is our career," she said. "We're proud to be Teamsters."

2003 Teamster Women's/Human Rights Conference



SAVE THE DATE!

2003 Teamster Women's Conference

March 6-9, 2003

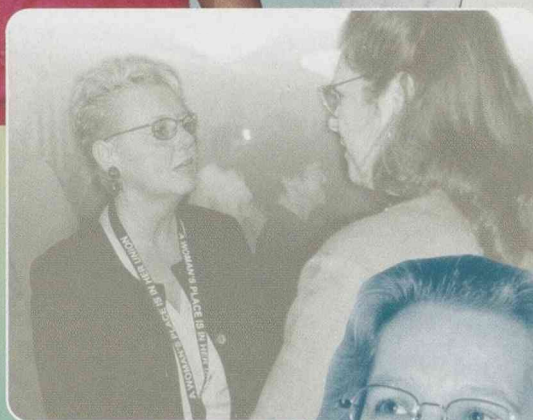
Baltimore, Maryland

Come experience an educational and entertaining meeting in the historic city of Baltimore. We will also be giving tours of the International building.

See you there!

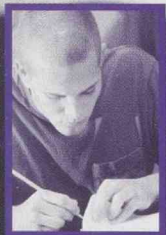
For registration information call 202-624-8785
or fax your request to 202-624-7457

A registration form is on the web at www.teamster.org,
or e-mail us requesting a form at speialevents@teamster.org





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**2003–2004 Academic Year
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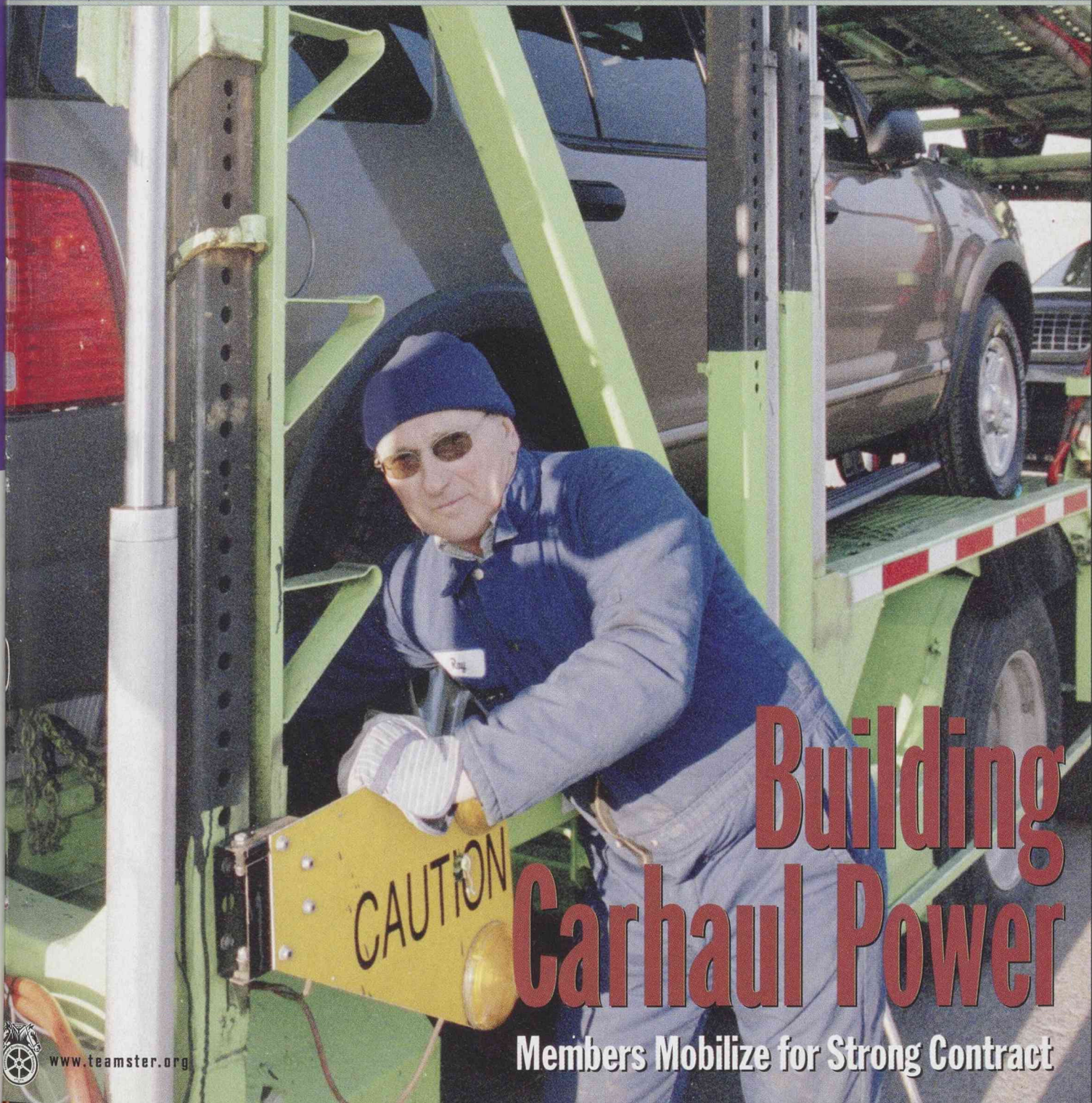
For more information, contact your
local Teamsters union office or visit
www.teamster.org

INTERNATIONAL BROTHERHOOD OF TEAMSTERS

MARCH/APRIL 2003

Tentative Freight
Agreement Reached
www.freightunity.org

TEAMSTER



Building Carhaul Power

Members Mobilize for Strong Contract



www.teamster.org

Anheuser-Busch Locals Mobilize Membership

Teamsters Prepare for Upcoming Contract Campaign

Unity is a key ingredient when fighting for a strong contract but it doesn't happen overnight. That's why Teamsters at Anheuser-Busch (A-B) are working hard to mobilize their members. The ultimate payoff will be a stronger contract in 2004.

"We know that we can't sit back and wait for the next contract negotiation to roll around," said Jack Cipriani, Teamsters Brewery and Soft Drink Conference Director. "Augie Busch preys on our disunity and uses it to his advantage. His worst nightmare is a united Teamsters A-B membership."

Different Locals, Different Tactics

Locals have used many different methods to build unity in the ranks. Some get involved in community affairs, while other locals beef

up their outreach within the membership.

A-B Teamsters at Local 95 in Williamsburg, Virginia collected clothing, eyeglasses and old cell phones for charity.

"The old cell phones were donated to our local domestic violence shelter, the Avalon House. Our members saw what a difference can be made by working together," said Mike Brooks, Principal Officer of Local 95.

Community outreach continued as Local 1149 in Baldwinsville, New York performed a holiday toy drive for underprivileged children.

"These programs really get two things done at once," said Steve Richmond, Local 1149 Business Agent. "We can increase the involvement of A-B members in the local, while also serving our community. One member got so wrapped up in the spirit, he dressed as Santa Claus."



"These programs really get two things done at once. We can increase the involvement of A-B members in the local, while also serving our community. One member got so wrapped up in the spirit, he dressed as Santa Claus."

— STEVE RICHMOND, LOCAL 1149 BUSINESS AGENT

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Another popular activity has been "Black Friday" at the A-B brewery in Merrimack, NH. Black t-shirts with a Teamster logo on the back were given to all the members with the instruction that the shirts are worn every Friday.

"Black Friday has been a huge success here," said Bruce Gagnon, Recording-Secretary at Local 633. "Our younger members particularly are excited and ready to bargain the next contract."

Locals Merge, Increase Strength

St. Louis is the capital of the Anheuser-Busch empire. Some of the Teamster A-B local unions are almost 100 years old. Yet those locals knew that they could accomplish more together than apart.

"The four local unions were really split based on different responsibilities within A-B," said Kenny Lange, Secretary-Treasurer of the newly-merged Local 6. "By merging, we now can speak with one voice."

"The merger gets us all on the same page," said Steward Marty Templin, a 30-year member in the plant hauling department. "We will now have one united agenda instead of four separate ones. Our first meeting as one local already resulted in an unusually large turnout."

Improving Communication

Unity is also built by keeping the lines of communication open. Members need to be updated with timely information from the local union. Local 1129 in Cartersville, GA accomplished this by forming a Unity Committee and establishing a network of communications.

"We have a clear chain of

communication that keeps every member informed," said Lance Bryant, Local 1129 President. "We have already used this network to collect surveys from our A-B membership on bargaining issues. This information will prove very useful as the entire national committee formulates a proposal for negotiations."

Improved communication can also be as simple as increasing the amount of material on a bulletin board. "Every time there is something new on the Teamsters web site, our members see it on the bulletin boards at A-B," said Harold Powell, Secretary-Treasurer at Local 284 in Columbus, OH. "The increase in traffic on those bulletin boards has been phenomenal, our members want to stay involved."

In California, A-B Teamsters are finding that communication is necessary to com-

bat management's attempts to turn new workers against the union. "At both our Van Nuys and Fairfield breweries, our older members have become an important link to our new members," said Rene Medrano, Secretary-Treasurer of Local 896 in Los Angeles, CA. When a new Teamster comes in, A-B management will tell them to stay away from the workers who have been there for a long time. "We make sure that those members communicate to our new members the value and importance of their Teamster contract."

"It's been exciting to watch what is happening at all of our A-B breweries," said Dave Laughton, Assistant Conference Director. "The best part is that there is no one way of building unity, yet they all work. By working together, we will go into the next negotiations on strong footing."

"Every time there is something new on the Teamsters web site, our members see it on the bulletin boards at A-B. The increase in traffic on those bulletin boards has been phenomenal, our members want to stay involved."

— HAROLD POWELL, LOCAL 284
SECRETARY-TREASURER



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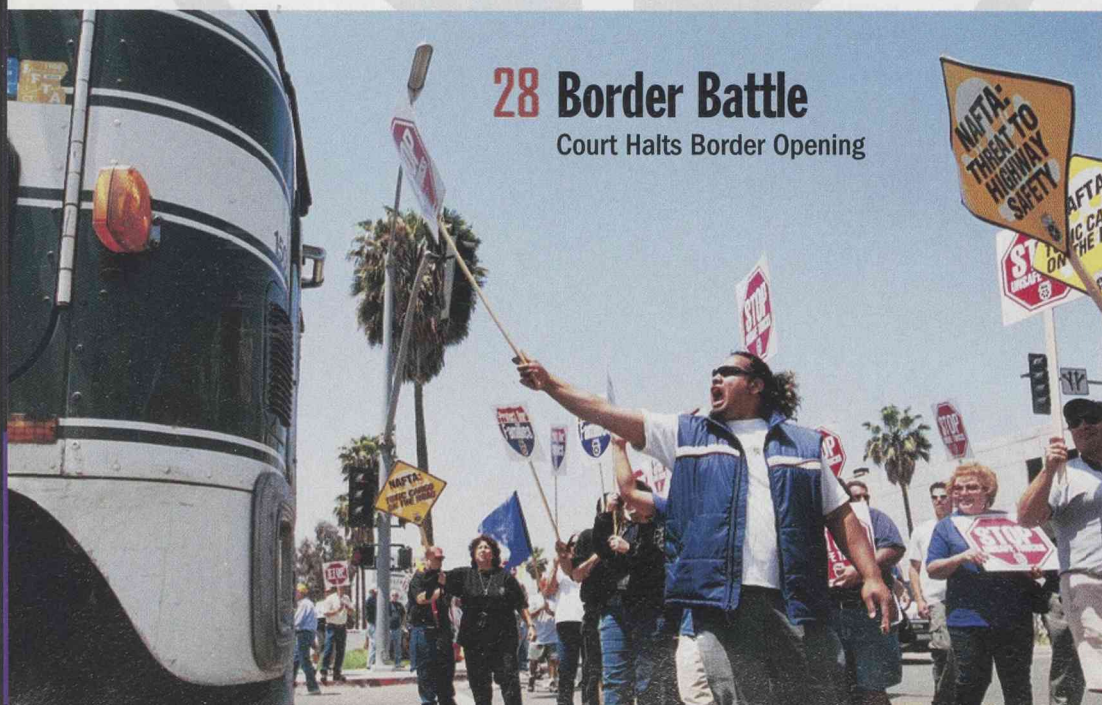
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TEAMSTER

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A MESSAGE FROM THE GENERAL PRESIDENT

Mobilizing For Victory

These are tough times for working people. And as Teamsters, we know that the only way to win the tough fights is through solidarity and action.

Just last month we won an important court battle when a Teamster lawsuit stopped the Bush Administration's plan to open the U.S.-Mexico border. It was a monumental victory that required the full strength of our 1.4 million members and the strength of other coalitions of working people.

We have been fighting for safe and clean highways long before NAFTA was enacted in 1993. As members of the most powerful union in North America, we know there is strength in numbers.

The Fight for Freight

We are also winning the tough fight for a strong National Master Freight Agreement with our Freight Unity 2003 campaign.

At press time, our freight members—the foundation of our union—showed their solidarity and commitment as more than 95 percent of our members voted for strike authorization. Now it appears we have a tentative agreement that reverses a decade of freight concessions. They sent a message that the Teamsters would not be divided. When we speak as one, our voice is always heard.

Unity Pays

At Continental Airlines, maintenance technicians, ground service technicians

and other related Teamster members ratified a strong contract that provided a bright future for these professionals. And we were able to achieve this victory amidst the harsh economic climate surrounding the airline industry.

Most importantly, our brothers and sisters at Continental secured job protection language that other unions and associations just can't deliver in this era of job cuts and givebacks so prevalent throughout the airline industry. On the highways or in the skies, Teamsters know the value of unity come contract time.

Standing Together

By standing together, our strength increases while our weaknesses diminish. Our unity can overcome any opponent whether at the bargaining table, on the strike line or in the halls of government.

2003 marks the 100th anniversary of our great union. We have weathered hard times throughout this Teamster century—a devastating depression, two world wars, bloody strikes and a great deal of anti-worker legislation—yet we have emerged stronger. And we have changed our world for the better.

James P. Hoffa



Petoskey Nurses Strike Back

Hospital Management Tries to Amputate Teamster Pride

Management at a hospital in Petoskey, Mich. is cheating. It's that simple. Almost a year ago, the 475 nurses at Northern Michigan Hospital voted to join Teamsters Local 406. Since then, management at the hospital has dragged their feet and not

bargained in good faith in hopes that nurses would reconsider unionization and think the Teamsters weak.

Their delay tactics and other unfair labor practices have had the opposite effect. It has strengthened the resolve of the nurses and caught the attention of the National Labor Relations Board.

"If there is a third party that sees things are wrong at the hospital, maybe now the public will be puzzled why Northern Michigan Hospital would treat its nurses this way," said Julia Hulderman, a striking cardiovascular nurse. Hulderman also serves on the nurses' bargaining committee.

She is one of many Teamsters that have been on strike against the hospital since Nov. 13, 2002. More than 300 full- and part-time workers walked off the job because of the unfair labor practices of the hospital. The nurses are seeking better pay, benefits and pensions, improved nurse-to-patient ratios and a greater say in patient-care issues.

growing problem for the health care industry nationwide.

Hospitals in Michigan and other areas have been assigning mandatory overtime and taking other actions that create tension between the nursing staff and management.

Among the many infractions of this particular hospital are disciplinary action filed against an employee for talking about union activities and threats against the workers' jobs if they chose to strike.

Officials with the regional office of the National Labor Relations Board have issued a preliminary report saying the Northern Michigan Hospital has violated federal labor law in their dealings with the Teamster nursing staff.

"The ruling reaffirms the fact that management didn't want us around and they resorted to threats and discipline against the nurses," said Ted Iorio, attorney for Teamsters Local 406, which represents the 475 nurses at the hospital.

"The hospital cannot explain away the fact that they engaged in conduct that was unlawful and meant to deny the RNs their federally protected rights," Iorio said.

"I'm hopeful that the hospital will come back to the bargaining table. We've asked for it time after time and the community has asked for it," said Hulderman. "We want to go back to work in that hospital."



The battle in Petoskey isn't just about the nurses getting adequate pay and benefits at that location. The workers there are fighting for nurses everywhere."

— JIM HOFFA, GENERAL PRESIDENT

Impact Beyond Michigan

"The battle in Petoskey isn't just about the nurses getting adequate pay and benefits at that location. The workers there are fighting for nurses everywhere," said Jim Hoffa, Teamsters General President who visited the nurses in August. The shortage of trained nurses has become a

Getting the Scoop on Dirt

Local 959 Members Trained on Equipment Used in Large Construction Dirt Jobs

Twelve members of Anchorage, Alaska's Local 959 recently received training to operate equipment used on large construction dirt jobs. The training was held in Fairbanks, and included classroom instruction on the basics of traffic control, grade staking and checking, OSHA construction certification, North Slope Oil Field safety measures, and Mine Safety & Health Administration training for gravel pit operations. Students also participated in hands-on training in the field.

Training for large dirt jobs is extremely expensive because of the equipment and fuel costs involved. The local's

training fund received funding assistance for the classes from Alaska's Department of Labor State Training & Employment Program, and the training center staff partnered with Alaska Interstate Construction (AIC), the state's largest dirt contractor. AIC provided B-70s and rented Articulated End Dumps, two types of trucks used for this type of work, for the training. Fairbanks' H&H Contracting was opening a new gravel pit and offered it as the training location.

"Technology and production requirements are changing, and training is required to ensure the union maintains its jurisdiction in this industry,"

said Mark Johnson, Training Director at Local 959. "Thanks to partners working together, we were able to provide training to these younger members and apprentices."

Fair Weather Training

Weather was another challenge the trainees faced. Frozen ground would have hampered an effective training, and Fairbanks is generally cold in October, which is when the training was held. The local needed the weather to cooperate, and it did—luckily, the hard freeze came late this past fall.

During the six-day training,

the members, who hailed from Ketchikan, Juneau, Seward, Healy and Fairbanks, moved 20,000 yards of rock and gravel in preparing the new H&H Contracting gravel pit.

"Both AIC and H&H management were impressed by the students' productivity," said Johnson, who is also the Training Director for the Teamsters National Education and Training Fund and the Teamsters National Pipeline Training Fund. "It was a training job well done, thanks to the cooperation of Local 959, industry representatives and the training center. And don't forget good old Mother Nature."





TEAMSTER NEWS



Teamsters Support PWOA

Urges FERC to Reject El Paso Corp.

The Teamsters Building Material & Construction Trade Division (BM&CTD) expressed support for members of the Pipeline Workers of America (PWOA) on January 16 as they rallied in the nation's capitol. The rally, outside of Federal Energy and Regulatory Commission (FERC) headquarters was organized to protest El Paso Corporation's application to build the Blue Atlantic pipeline project.

"El Paso Corporation has a proven history of hiring unsafe contractors and has been fined more than \$2.5 million by the Office of Pipeline Safety," said Randy Evans, Project Coordinator for the PWOA. "That's not the type of proven record a community or the federal government should be looking for."

The pipeline workers and the Teamsters believe that

El Paso's past record of disregard for its workers coupled with its legal troubles should disqualify it from winning the \$2.5 billion project.

The Teamsters have joined a coalition composed of the United Association (Welders), Pipeline Workers and the Operating Engineers to build support for greater safety in the Building Material & Construction Trades industry.

"We will definitely target the safety records and mistreatment of workers by companies like the El Paso Corporation and their sub-contractors like Sunland Corporation," said Norm Bouley, International Organizer for the BM&CTD. "Working together we can increase employment for union members and shine a light on those companies who have shoddy records and put workers at risk."

UPS Worker in Texas Wins Big Back-Pay Case

Arbitrator Orders Company to Pony Up 10 Months' Wages

An arbitrator has recently ordered the United Parcel Service to reinstate a Teamster member who was fired in March 2002, and ordered the company to pay back wages estimated at more than \$50,000.

UPS fired Roy Coleman, a feeder driver and member of Local 767 near Fort Worth, Texas, accusing him of falsifying company records and idleness on duty.

The case involved the filing of paperwork related to "waiting time" outside a UPS center.

"Once again, United Parcel Service has issued discipline that did not warrant immediate termination. As the arbitrator stated, Brother Coleman was an unwitting victim of conflicting management orders and objectives."

—WESLEY JENKINS, LOCAL 767 PRESIDENT

Coleman filed a grievance challenging his firing. On January 3, 2003, the arbitrator ruled that Coleman was an unwitting victim of a change in management policy regarding a long-standing past practice. He also was a victim of conflicting management orders and objectives, the arbitrator ruled.

The arbitrator ruled that a one-week unpaid suspension be substituted for the 10 months he was terminated, and that UPS pay the back wages.

"This is a big win for Local 767," said Wesley Jenkins, the local's President, who estimated the award to be more than \$50,000. "Once again, United Parcel Service has issued discipline that did not warrant immediate termination. As the arbitrator stated, Brother Coleman was an unwitting victim of conflicting management orders and objectives."

Million Dollar Decision

Ex-Kroger Teamsters in Indiana, Ohio to Receive Severance Pay

Teamster warehouse workers in Indiana and Ohio who used to work for Kroger are likely to receive more than \$1 million in severance pay under an arbitrator's decision.

The members of Local 135 in Indianapolis and Local 100 in Cincinnati had been employed by Kroger. In December 1998, Kroger subcontracted the warehouses in Indianapolis and Cincinnati, and the two locals filed a grievance under the Kroger Master Agreement asking for severance pay for all affected workers. The case was deadlocked at the Joint Area Committee in St. Louis.

After numerous delays by Kroger, the locals began the arbitration in Cincinnati on May 16, 2001. On December 10, 2002, the arbitrator ruled in favor of the Teamsters, ordering Kroger to pay severance pay.

The decision affects about 175 workers in Indianapolis, and about 60 workers in Cincinnati. Many of the workers are now employed by the subcontractor. At press time, Local 135 had

calculated the severance-pay award for 111 of the 165 workers, and the estimated amount so far is \$615,000, according to Alan Bevins, a Local 135 Business Agent.

Local 100 is also calculating the severance pay. "We've got some guys who are going to get up to \$1,500 per week. The grand total will probably get as high as \$500,000," said Butch Lewis, a Local 100 Business Agent.

"This decision also affects members in Roanoke (Virginia) and Columbus (Ohio), who have yet to arbitrate because they were waiting on us to conclude," said Danny Barton, President of Local 135.



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Building Carhaul Power

Local 89 Members Mobilize for Strong Contract



CONTRACT ISSUES

Although contract proposals are still evolving, Teamsters Carhaul Director Doc Conder has indicated that these issues must be on the table for the 2003 National Automobile Transporters Agreement:

- Preservation of the multi-employer agreement;
- Maintenance of health and welfare at current levels, despite recent significant increases in employer costs;
- Enhanced job security by strengthening the agreement's subcontracting and follow-the-work provisions; and,
- Increased wages.

With the auto transport trades facing their biggest challenges ever from incursions by nonunion carriers and a slumping economy, Teamster car haulers are gearing up to negotiate a new National Automobile Transporters Agreement and its regional supplements.

"Twenty years ago, I would never have dreamed that you'd see anything but Teamsters moving these vehicles," said Tony Brown, a Local 89 union steward at Active Transportation in Louisville, Kentucky, where he has worked for nine years.

"GM, Ford, Chrysler—they are all using nonunion carriers these days, companies like Fleet Car," Brown noted. "They've moved into some of these plants and hurt all of us."

Thus the balancing act that car haulers must perform in 2003: the balance between job security and protecting the gains that have been achieved in recent years.

An Industry Under Attack

Although the Teamsters Carhaul Division is still sifting through the many survey questionnaires it sent to members, job security has quickly emerged as one of the top issues with car haulers today. With manufacturers increasingly turning to nonunion carriers and networks of independent owner-operators, Teamster dominance in the auto transport business is subject to unrelenting attack.

"That's one of our biggest things," said Jeff Thompson, a steward who with 160 fellow Teamsters works at Auto Resources Group, a yard operator in Louisville. "A lot of the work has been going under white-paper agreements lately. We're all concerned about staying under the national contract."

Health and welfare also top the list of concerns. "Drivers feel that one shouldn't have to pay a percentage of the premiums for healthcare insurance," Brown said. "We've been hearing that the companies want that. Protection of our pensions is important too."

Holding the Line

The downturn in the economy has reduced revenues and squeezed margins for many companies. With consumers holding onto their old cars longer, transporters are anxious about future volumes and the work they generate.

"We want to keep the contract at least as good as it is," said James DeVore, who has worked at Allied



Systems in Louisville for 17 years. "But we've been hearing about how the price of everything is going up, including gas prices. That's kind of gotten some of the members in my shop worried."

The Teamsters Carhaul Division is determined to achieve a strong contract, despite the battering that the industry has taken in recent years. Through the use of local union proposal meetings, direct questionnaires and the two-person review process, it is also ensuring that the bargaining sessions with management will be rank-and-file driven.

For the drivers, mechanics, yard workers and office personnel belonging to Local 89, the second largest group of car haulers in the country, the final product will again confirm why they chose the union label in the first place.

"Today, I wouldn't be doing this job unless I was under a Teamster contract," Brown said. "Those independents are owner-operators. Their pay and benefits: there's just no comparison. They're liable for damages. If they have a pension, it's a 401(k) that they have to pay for. I don't know of any drivers who can cover all of these expenses."

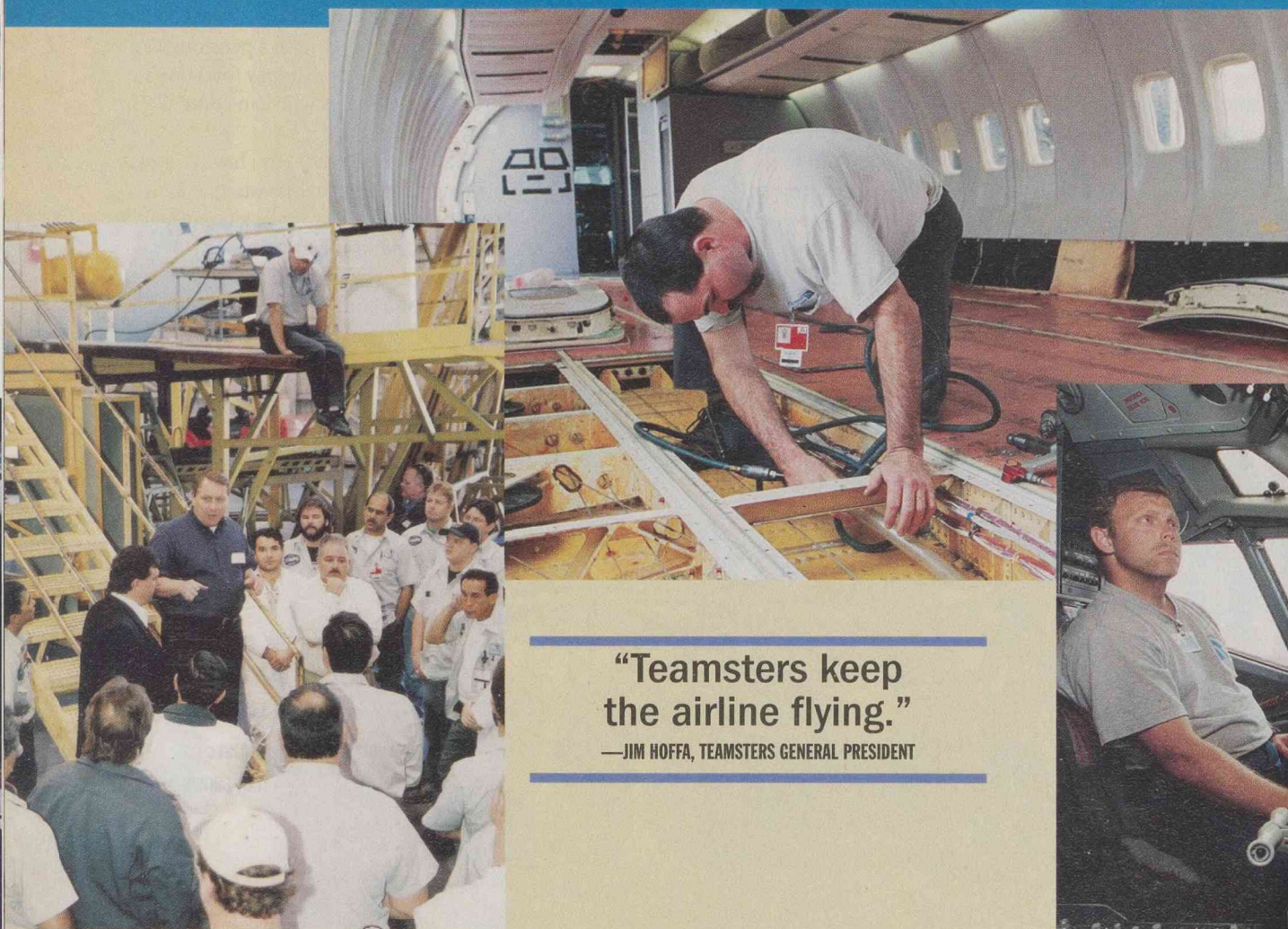
Thompson agreed. "You have contract language that safeguards you, that allows you to follow your work. It lets you stay on if another company comes in and takes over. Without it, they can bring in all-new people—and you'd be out of luck."



I wouldn't be doing this job unless I was under a Teamster contract.

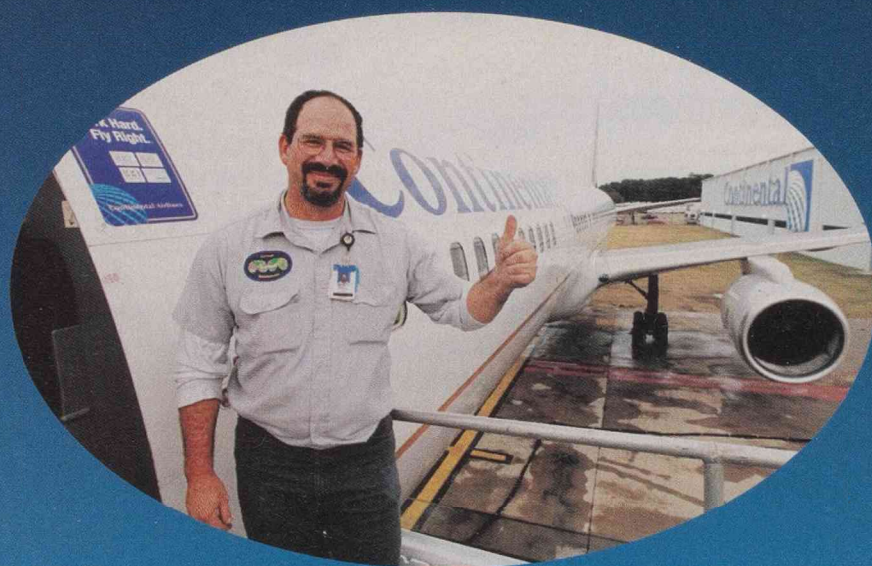
— TONY BROWN, LOCAL 89

Continental Teamsters SOAR



**"Teamsters keep
the airline flying."**

—JIM HOFFA, TEAMSTERS GENERAL PRESIDENT



With New Contract

Job Protections Key in Agreement for Mechanics and Related Workers

Josh Chappell learned the basics of his profession from his father at an early age. From an early age, Josh and his father Morris worked on cars in their garage. Now they both work as Teamster airline maintenance technicians with Continental Airlines. The Chappells, along with 4,000 other Continental aircraft maintenance technicians, ground service technicians and related workers, signed an important contract in late December 2002.

The agreement, ratified by a three-to-one margin, provided increased wages, improved work rules, increased retirement benefits, retroactive wages and significantly improved job protection guarantees.

"I've been working on cars since I was a little kid and I even went to college to learn more about working on cars. When an opportunity to work alongside my dad came open I jumped at it," Josh Chappell said. "He and I have been working together since I was 10 and doing this was just like working at home. We'd work on hot rods and did a lot of side work for neighbors that couldn't afford to hire a mechanic. We would just charge them for parts."

His dad has been with Continental for 13 years and Josh has been with them for four. For his first three and a half years, the two worked together at Houston Intercontinental Airport. Now Josh works for Continental in San Antonio, Texas. Though they don't work next to each other anymore, being united as Teamster mechanics under the same contract has brought them closer than ever.

"In the long run, this is a great contract," Josh Chappell said. "With everything that's going on in the economy and at other airlines, I'm glad we got all the job protections. In an industry like this one, things can be up one day and down the next and you never know when you'll be out of a job because of it."

Job Security is Number One

With the Continental contract, job protections were a priority. The contract covers thousands of aircraft maintenance technicians, ground service and facilities technicians, utilities mechanics, ground radio and appearance technicians.



Highlights of Agreement Between Technical Operations Employees Represented by the International Brotherhood of Teamsters and Continental Airlines

Article One – Job Protections

- Defines all maintenance work as coming within the jurisdiction of the Union;
- Subcontracting prohibited unless coming within express exceptions;
- Tightens prohibition against supervisory performance of scope work;
- Ironclad protection for existing heavy check maintenance work and guarantee to bring New Gen B-737 heavy check work in-house;
- Work acquisition provision to create new technician positions;
- New protections for employees in the event of transactions within Continental's corporate structure or with other corporate entities;
- Assured contract protection for scope employees engaged in foreign operations;
- Joint Review Committees to monitor Company outsourcing on a continuing basis and to develop programs for increasing in-house maintenance work; and
- Expedited arbitration to resolve job protection disputes.

Article Eight – Holidays

- There are two new floating holidays in 2003.

Article Nine – Vacations

- Seventh week for employees with 30 or more years of service (earned in 2003, taken in 2004).

Article 15 – Compensation

- License premiums: Effective 1-1-02; \$1.50/\$1.50, effective 1-1-03: \$1.75/\$1.75;
- Per Diem for international and domestic – “me too” for any increases granted pilots or flight attendants;
- Improved moving expenses;
- Test flight / field trip / bomb insurance increased to \$200,000; and
- Retro paychecks will be issued within two weeks of the ratification.

Article 16 – Benefits

- Medical Insurance – Rates / Benefits locked in for calendar year 2003;
- LTD Plan – Effective 1-1-2004: 50 percent of premium to be Company paid and one-time opportunity to join the plan without meeting medical eligibility requirements;
- Retiree Bridge Medical – Age 60 requirement waived for retirees with 30 years of service – program open for renegotiation next year.

Article 22 – Duration

We have locked the new work rules in place for four years but we will be able to renegotiate all of the economic items next year.



“From the beginning, we knew the scope language would be one of the most important parts of the contract,” said Don Treichler, Teamsters Airline Division Director. “And we achieved what we set out to do – get some of the best job protections in the industry for these hard working men and women.”

These kinds of job protections are especially important in the economic climate the airlines are finding themselves in. All you have to do is look at what other airline unions are doing to see how inclusive and secure this contract is.

For example, the Aircraft Mechanics Fraternal Association negotiated a contract for their mechanics at Northwest Airlines that left many workers without jobs.

In the contract, the so-called AMFA “association” gave the airline the thumbs-up on a provision that would allow them to subcontract up to 38 percent of the work the mechanics do. That includes farming work out to non-union and foreign stations. This loophole robbed Northwest workers of job protection and increased the amount of permissible subcontracting by almost 150 percent.

As a result, Northwest shut down their



The following Teamster workers at Continental Airlines are covered by the newly ratified contract:

Aircraft Maintenance Technicians: These are technicians who work on aircraft and are divided into these components - line, base, power plant, avionics, sheet metal, composite, welder, machinist, aircraft interior repair, trim, paint, calibration, airport communication, pattern, tooling repair, electric harness shop.

Ground Service Technicians: These technicians work on trucks, belt loaders and pushbacks.

Facility Technicians: These workers maintain the buildings and hangars.

Inspectors: These workers inspect the aircraft parts and aircraft repairs.

Utility Mechanics: These workers assist technicians by issuing tools and assisting GSE and Facility technicians.

Atlanta repair base and eliminated more than 1,000 mechanic jobs.

The Continental Teamsters know that can't happen to them because their contract is full of rules that would make such a closure impossible. For one thing, the contract defines all maintenance work as coming within the jurisdiction of the Teamsters. Subcontracting is prohibited unless coming within express exceptions. Those and several other protections are reasons the contract is a reliable one.

More to Come

The job protections aren't the only reasons the contract is a good one. The Teamsters working there get more days off, their medical insurance rates are locked in and they have improved retirement and pension plans.

The economic features of the contract are a work in progress. They are designed to maximize the wages and benefits available in the atmosphere of today's airline industry while providing a way to achieve further economic improvements when the airline begins its economic recovery.

Essentially, the workers preserved their right to press for better pay when the

company and the rest of the industry is doing better. Things may look dire for the airline industry right now but it's in the process of bouncing back. In fact, analysts have said that Continental is one of the few airlines with the potential to reach quarterly profitability this year.

The Teamsters will commence bargaining in October 2003 from a new, higher plateau for both wages and economic benefits.

Clear Skies Ahead

Dan Stunda has been with Continental since 1984 and he works at Houston Intercontinental Airport as an inspector. In his time there, he has seen just about everything. "Times have gone up, down and turned around, though things are doing a lot better there now," he said.

Things at work really started looking up once those workers were organized by the Teamsters in 1997 - and Stunda was one of the most active in the organization process. The Teamsters, he said, have the power to enact change.

"Once we became Teamsters, it changed the way business was done," Stunda said. "Unity, pride and strength.

Those are the three words I live by."

As far as the job goes now, Stunda sees nothing but clear skies ahead for himself and his coworkers.

"We got a good deal with this new contract. If anything happens now and changes have to be made at work, the airline has to consult with us if it affects our jobs," he said. "The job protections are the best thing about the contract to me. A contract just isn't any good if you're not working."



"If management would have spent as much energy on improving morale as they did on their scare tactics, there wouldn't have been a problem. A hospital shouldn't treat people like they are disposable."

— KEITH GILLESPIE, ENVIRONMENTAL SERVICES DEPARTMENT

Knock on Wood

900 Service Workers At Robert Wood Johnson Hospital Join Local 97



Nobody likes to be pushed around.

That was the knock on the administration of Robert Wood Johnson Hospital in New Brunswick, New Jersey. Workers were not only being intimidated and treated disrespectfully, but many longtime employees who witnessed a pattern of unfair terminations and unwarranted disciplinary measures called the hospital's treatment of workers downright subhuman.

"If management would have spent as much energy on improving morale as they did on their scare tactics, there wouldn't have been a problem," said Keith Gillespie, who works as a host in the Environmental Services department. "A hospital shouldn't treat

Jersey culminating a successful rank-and-file organizing campaign. The Teamsters represent workers in 35 different job classifications at the hospital, varying from porters to phlebotomists.

Fixing What's Broken

"As employees of the hospital, we suffered from blatant harassment, unfair terminations and a host of other problems at the hands of management. We had no power and things were getting worse," said Berath Gasdia, a clinical care technician and 16-year employee at the hospital. "The Teamsters and Local 97 had the power and representation we needed. Now there's someone to back us up."

Something else that didn't sit right with workers was the unusually healthy compensation packages for the hospital's top executives while spending less on personnel costs than the average health care facility. The pay package of CEO Harvey Holzberg exceeded \$2.15 million in 2001.

"Morale really dropped when the story about our CEO's salary came out," said James P. Walker, a senior phlebotomy technician. "And ultimately, that's why we chose the Teamsters—we want to fix what's broken."

Teamster Reputation, Teamster Strength

"From the beginning, we had to educate the employees about what the union could do for them," said Donato Di Mola, Secretary-Treasurer of Local 97 in Union, New Jersey. "These employees had enough. They had suffered for too many years."

Local 97 is also in the process of organizing a 500-member technical unit at the hospital. Nationwide, the number of unionization elections in health care overseen each year by the National Labor Relations Board has roughly doubled since 1995 to just over 500 a year. Unions have been winning two-thirds of those elections.

"The Teamsters have the reputation and strength we need," said Ron Scipio, an operating room technician and new member of Local 97. "I have no doubt the Teamsters will be representing other units in the hospital as well."

people like they are disposable."

As a result, more than 900 service workers at the Robert Wood Johnson Hospital voted to join Local 97 in Union, New

Retiring Right

DEFINED BENEFIT PENSION PLANS SECURE THE AMERICAN DREAM

RETIRED UPS DRIVER JOE MARTINEZ WAS looking forward to checking the mail on February 1 because he knew what would be there: his first monthly pension check from Teamsters Local 804 in Long Island City, Queens.

After 40 years with UPS in New York City, and 32 years as a Shop Steward for Local 804, Martinez, 62, and his soon-to-retire wife Alice, are not worrying about the plummeting stock market or big losses in their 401(k) accounts.

"Thanks to the pension, there are no money issues or concerns that I may have," said Joe. "And I owe it to the Teamsters."

As a Teamster, Joe was earning a guaranteed pension that he and his wife could count on to provide a comfortable retirement.

"When you retire with that money, you have no worries about the future because you know you are going to have this check coming in, steady, for as long as you live," explained Joe, referring to his Teamster pension at UPS. "It gives you a comfort zone."

For Joe Martinez and other Teamsters, the security of a "defined benefit" pension — i.e. a guaranteed benefit based on years of service, wages and age — has made planning for retirement less risky.

Security at Risk

But unfortunately a shrinking number of workers are covered by traditional "defined benefit" pension plans. Instead most workers today, especially non-union workers, must rely solely on personal savings, risky 401(k) plans, and Social Security to provide income after they retire. And as the scandal at Enron and the Wall Street meltdown have proven, the 401(k) and other personal retirement plans are not protected and can lose value in the blink of an eye.



SOCIAL SECURITY: SETTING THE FLOOR FOR RETIREMENT

When President Franklin Delano Roosevelt signed the Social Security Act in 1935, he created the first guaranteed pension plan for working people in America. Before Social Security, workers who never earned enough to save for retirement usually had to work until they died. In those days, there was no such thing as the "Golden Years" for ordinary working people.

Social Security today remains one of the most important government programs for workers and their families. On average, Social Security replaces around 40% of a worker's income. That means if you earned \$30,000 a year, your Social Security check would be around \$1,000 per month, if you retired at age 65. Workers can also start drawing Social Security at 62, but at a reduced rate.

But Social Security was never intended to be a workers' sole source of retirement income. It was only supposed to be a supplement.

Unions Step In

In the years following World War II, as the Teamsters, Steelworkers, United Auto Workers, and other unions grew stronger, they began to negotiate with employers over benefits such as health care and pensions, as well as wages and working conditions. At first employers resisted, claiming that they were not obligated to bargain over non-wage items. But in 1949, a Supreme Court ruling upheld that benefits such as pensions and health care insurance were mandatory subjects of collective bargaining, which meant that employers were legally required to negotiate.

As part of members' wage and benefits packages, the Teamsters and other unions started negotiating with employers to contribute funds into union pension plans. Among the largest of these plans are the Teamsters Central States Fund and Western Conference Fund.

These Teamster funds set up joint labor management boards to manage and invest assets, determine eligibility, and set guaranteed benefit levels. These types of traditional union pensions are called "defined benefit" plans, in contrast to so-called "defined contribution" plans such as 401(k) plans in which workers themselves make contributions and investment decisions. [See sidebar on 401(k)'s.]



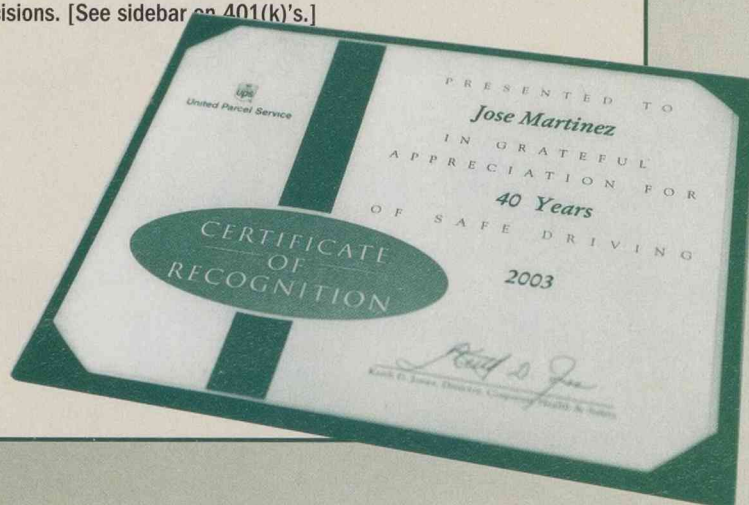
Forty years ago, when Joe was just 23 and fresh out of the Army, he heard about a company called UPS, which at that time was not a nationally known corporation. When he was hired as a driver in 1963, it was his first union job, and, like a lot of young workers, he was not thinking about retirement.

"Through the efforts of the Teamsters, the job turned out to be a good job as far as financial stability," said Joe, thinking back over the years. "I didn't know that at the time. It was just a job, when you're young, you're thinking that way. About pensions, you just thought about Social Security. But through the years of negotiations, the Teamsters began to really improve the pension."

While Joe was busy living his life, getting married, buying a home, and raising a son, the Teamsters union at UPS was making sure that his retirement would be financially secure.

"When you are young, you don't see that far ahead. Your main concern when you are young is 'what's in the envelope.' In other words, what you take home," said Joe. "If you tell a young person, 'listen, we're going to give you 50 cents an hour less and put it into your pension – 'ah, come on, I want to spend it now.'" That's the answer you get. But that goes away as you get older, as you get more mature, and you understand life a little better."

Teamsters Local 804 President Howard



Redmond and his Executive Board understand that fighting for a strong pension will always be a top priority for members such as Joe Martinez. In contract negotiations last year, negotiators won a \$300 increase in the Teamster pension for retired UPS members of Local 804.

"We fought hard to ensure that our members continue to enjoy the best benefits, and that meant making sure that we kept our pension strong," said Redmond.

For Joe and Alice Martinez, the Teamsters have delivered on that promise. "You can't rely on the 401(k), but you can rely on the Teamsters pension," said Joe.

Instead of delaying retirement — which many workers have had to do after seeing their 401(k) plans evaporate in the stock market — Joe and Alice are looking forward to traveling, spending more time with family in Puerto Rico, volunteering, and, as Alice put it, taking time to "appreciate what's around you."

On Solid Ground

Retired Teamster Gene Doupe appreciates the importance of a solid foundation. As a member of Local 282 on Long Island, New York, Gene drove a Mack mixing truck and poured concrete that laid the foundation for buildings and roads throughout New York.

Now in his fifth year of retirement, Gene and his wife Lucy also know that their standard of living is on a solid foundation thanks to a Teamster pension.

"We wouldn't be in the position we are in now without the union, forget it," said Gene.

With a guaranteed Teamster pension, Gene and Lucy did not have to roll dice in the stock market to plan for a comfortable retirement.

"Years ago, they [the bosses] used to tell us 'you're never going to get that pension,' but I'm getting my pension now," said Gene.

And while millions of workers and retirees are getting pinched by higher health care costs, Gene and Lucy have fewer worries.

"When you get Medicare at 65, the union covers the supplemental, which

WHAT IS A DEFINED BENEFIT PLAN?

According to the U.S. Department of Labor, about 44 million American workers and retirees can rest assured that they have a guaranteed pension for life, even if their employer goes out of business or their pension plan runs out of assets. They are covered by defined benefit pension plans that are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal agency.

Defined benefit pension plans are traditional plans that promise workers a specific monthly benefit at retirement. The amount of the benefit is known in advance, usually based on factors such as age, earnings, and years of service. The plan may state this promised benefit as a percentage of salary and years of service with the company (for example, 1 percent of final pay times years of service), or as a specific dollar amount and years of service (for example, \$30 per month at retirement for every year a person has worked for the company), or as an exact dollar amount (for example, \$100 per month at retirement).

Teamsters who are fully vested in a union pension plan, for example, know what their retirement benefits will be. They have a guaranteed pension, and its value is not

directly tied to the stock market. If stock market declines and pension plan asset value falls, the law requires employers to increase contributions to the fund to ensure financial solvency.

Defined Benefit Pensions Disappearing

Percentage of Households With Pensions

Defined Benefit Pension (union, corporate, etc.)

1983: 52.6%

1998: 35.3%

Defined Contribution Pension (401(k), IRA, etc.)

1983: 10.9%

1998: 48.8%

Source: Wolff, Edward N. 2002. *Retirement Insecurity: The Income Shortfalls Awaiting the Soon-to-Retire*. Washington, D.C.: Economic Policy Institute.





"I owe the Teamsters union a lot. Time sneaks up on you... you look and you think, 'How am I going to retire, you're kidding?' But between the pension and annuity, I was able to get out at 62."

— GENE DOUPÉ, MEMBER OF LOCAL 282, LONG ISLAND, NEW YORK

saves about \$300 a month," said Gene.

Gene started his career as a member of Local 282 at age 22, and 40 years later at 62, he was able to retire because the union provided him a guaranteed pension. Along the way, Gene and Lucy built a home and raised five kids. Now they are able to travel, spend more time with family, and enjoy life after work.

Each year Gene and Lucy pack up their van and drive across the United States to

visit their daughter in Ft. Collins, Colorado. They also spent a month visiting a daughter who was living in Holland, and took a cruise to Hawaii.

Gene, who is a Trustee of the Local Retirees 282 Club, also keeps up his lifelong interest in trucks, collecting models and going to the annual Antique Truck Show in Macungie, Pennsylvania.

"I owe the Teamsters union a lot. Time sneaks up on you. You plan to retire, but we had five kids in seven years, and you look and you think, 'How am I going to retire, you're kidding?' But between the pension and annuity, I was able to get out at 62," said Gene.

Keeping the Teamsters and all unions strong is important to Gene and Lucy because they know that without unions, workers have no real protections, no guarantees.

THE INCREDIBLY SHRINKING 401(K) NEST EGG

A dwindling number of workers are covered by traditional "defined benefit" pension plans. Today, only around 44 million out 133 million (33%) workers are covered by a pension plan that provides a guaranteed benefit at retirement.

Union workers such as Teamster members are more likely to be covered by a defined benefit pension than non-union workers.

For millions of workers, especially non-union workers, saving for retirement is like planning your future around a trip to Las Vegas.

The rise of the 401(k) has shifted the risks of planning for retirement entirely to workers. Under these plans, which are described as "defined contribution" plans since only the amount contributed is guaranteed, workers make tax-deferred contributions out of their paychecks. Employers often make a matching contribution, usually up to 3% of a worker's annual salary.

Workers are then free to invest the money however they choose, and in some cases they are given company stock or are encouraged to invest in company stock. But as workers at Enron painfully learned, there are no protections when your investments go bad, even if the company lied.

Initially, 401(k) plans were intended to be a supplement to traditional pension plans. But companies began to stop offering traditional defined benefit plans and started offering only the 401(k) because they were cheaper and provided tax breaks.

In 1984, there were 7.4 million people participating in 401(k) plans, by 2000 there were more than 42 million participants, according to the Employee Benefits Retirement Institute (EBRI).

Because they are portable, 401(k) plans have been touted as better for younger workers who are more likely to jump from job to job. But since they are not guaranteed or insured by the government, workers can end up with nothing or much less than they expected.

When the stock market was booming in the 1990's, people saw their 401(k) accounts grow in value quickly. Investing seemed easy and risk free, since the market appeared to be going up indefinitely. But that changed quickly when the bubble burst in 2000.

Between 2000 and 2001, 401(k) assets lost 10.1% of their value, or \$279 billion, according Cerulli Associates, a Boston-based consulting firm. In 2001, the average 401(k) lost \$4,528. Losses in 2002 are expected to have been as equally severe.

The Union Guarantee

Percentage of Workers Participating in a Defined Benefit Pension Plan



Source: Source: U.S. Bureau of Labor Statistics, "Employee Benefits in Private Industry, 2000."

Slipping Away

Despite contributing thousands of dollars annually to their 401(K) plans, Americans have seen the value of their retirement savings shrink by more than 20 percent.

Average 401(k) Account Balances

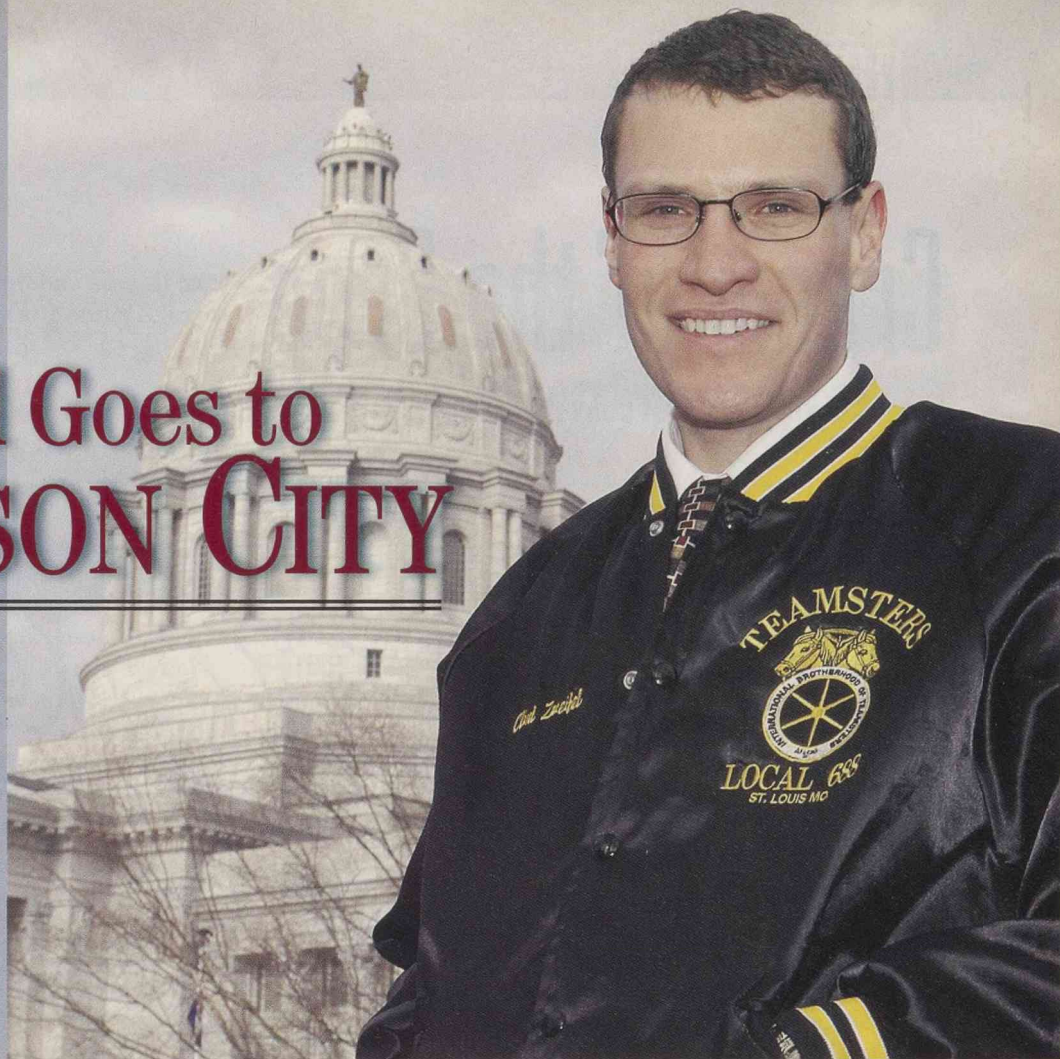
1999:	\$ 45,681
2000:	\$ 41,919
2001:	\$ 36,390

Source: Cerulli Associates, June 2002



Mr. Zweifel Goes to JEFFERSON CITY

Local 688 Teamster Wins State House Seat in Missouri



Filmmaker Spike Lee believed it was the shoes that made Michael Jordan fly.

Speaking from his own experience, Missouri Teamster Clint Zweifel agrees. In his winning campaign for state legislature, Zweifel credits the shoes.

"I walked my district three times knocking on doors — about 8,000 doors, three times — and I went through two pairs of insoles," Zweifel said in an interview on his first day in session. "You have to get out and meet people. You have to build trust. When you have the guts to show up at someone's door and ask for support, they know you're committed."

For the past five years, Zweifel has been the Research and Education Director for Teamsters Local 688 in St. Louis, his hometown. He decided to run as a Democratic candidate after working on an unsuccessful campaign for the 78th district seat.

Teamster Power

His Teamster connection made a big difference in the campaign. Teamsters Joint Council 13 and other local labor organizations stood solidly behind him.

"Labor must push a positive agenda and that means pushing positive people into politics. We can't just rely on the promises of strangers when it comes to lawmaking, we need to make sure people who have been with us are fighting for us at the capitol," said Joe Galli, Secretary-Treasurer of Local 688. "I'm sure Clint will be as committed to working people in the legislature as he has been here at the local."

Providing assistance in phone banking and volunteers to doorbell and poll-watch, labor coalesced and helped win a seat that had been occupied by an anti-labor politician for the last two terms. With 3,000 union households in the district and the slew of volunteers plus help from various political action committees including DRIVE, Zweifel pulled out a victory.

"I won by 67 votes," Zweifel said. "That's 67 labor votes. If it weren't for all of the volunteers I wouldn't be in Jefferson City. I guarantee you that."

A Different Landscape

But being in Jefferson City won't be easy. Along with the national Republican political windfall, Missouri's legislature's shifted to the right. After 48 years of control, the Democrats are now in the minority.

"Instead of working to improve the workers compensation laws, now I have to defend them," he said. "Sure I'd rather be on the offensive, but there's no way that I'm going to lay down and let our rights and protections be dismantled."

The 2003 session promises to be a long haul for labor-friendly legislators, but Zweifel's up to the challenge. And he still has the shoes.

"They're not very attractive anymore," he said. "There are soles worn out, but I'm going to keep them as a souvenir."

Cream of the Crop

Local 385 Registers First Dairy Organizing Victory In Florida

John Harazin knows from personal experience that being a Teamster has its privileges. Before he came to work at Orlando's T.G. Lee Dairy in 1992, Harazin was a member of Local 144 in Terre Haute, Indiana for 11 years. But like every dairy worker in the state of Florida, Harazin was suffering from a lack of union representation.

"For years we proved our loyalty to T.G. Lee, but the company refused to demonstrate loyalty to us," said Harazin.

After voting in favor of joining Local 385 in Orlando by more than a 4-1 margin, the dairy drivers at T.G. Lee Dairy can expect loyalty and justice in the form of a Teamster contract. And the victory energizes the Teamsters for more potential organizing in Florida's dairy industry.

"With a Teamster contract, we'll get the respect and dignity we've worked so hard for," said Harazin who, along with his 45 new Teamster co-workers, transports dairy products throughout Central Florida.

Blazing a Trail

During an organizing campaign in 1997, T.G. Lee Dairy was able to convince the same group of employees not to join the local by providing them with a pension fund, a 401(k) plan and a \$1.20

increase in hourly wages. However, the dairy's commitment to the workers was short-lived when the company later discontinued the pension plan, began subcontracting out some of the jobs, and set out to restructure the method of pay that would substantially reduce salaries.

"The workers were determined that they would not be further deceived by T.G. Lee and they enlisted the Teamsters' help after the company decided that it would no longer pay them hourly wages but compensate them based on mileage, which would have cut their income in half," said Roger Allain, a Local 385 organizer.

"The company began taking more and more away from us and becoming Teamsters was the only way

to protect ourselves and our families," said Stan Waite, an 11-year employee.

The Mission Continues

Bud Embry, a 13-year employee at T.G. Lee Dairy, also knows the value of being a Teamster. He was a member of Local 28 in Spartanburg, South Carolina, where he worked as a route salesman and transport driver for Pet Dairy for 12 years. And he knows other dairy workers in Florida will be better off as members of the strongest union in North America.

"This union has created a voice for the people," Embry said. "Unity is where it's at—There's definitely strength and safety in numbers, especially when you are a Teamster."



"Unity is where it's at—There's definitely strength and safety in numbers, especially when you are a Teamster."

— BUD EMBRY, LOCAL 385

LOCAL 701

Rhein Chemie

Seventy workers at Rhein Chemie, a Trenton, New Jersey chemical supplier, voted to join Local 701 in North Brunswick, New Jersey.

The unit is made up of workers in maintenance, warehouse, production and utilities, and lab technicians.

"Respect and dignity were big issues with this group," said John Devereaux, Vice President of Local 701. "Safety was also a big factor. And a lot of credit for the success of the campaign should go to their committee, which did a great job."

LOCAL 879

Construction Employers

Local 879 gained more than 75 new members through three recent organizing victories at Cotton Ready-Mix Inc. in Niagara Falls, Ontario; at Metrix Ready-Mix Ltd. in Milton, Ontario; and Hy-Grade Precast Concrete, Inc. in St. Catharines, Ontario. The new Teamsters transport concrete materials to commercial and residential construction sites.

The local also gained 130 new members after it was recently certified at Modern Landfill Inc., a solid waste and recycling unit in Niagara Falls, Ontario.

"Recent labour law changes have left nonunion workers vulnerable to employers," said Ken Dean, an Organizer for Local 879 in Hamilton, Ontario. "These members know that they are secure in a

brighter future for their families with a Teamster collective agreement."

LOCAL 246

Senate Custodial Employees

Custodial workers at the United States Capitol Building voted by more than a 3-1 margin to join Local 246 in Washington D.C.

The 40-member bargaining unit includes housekeepers, floor cleaners, supply and inventory clerks, and facility workers. They are employed by the U.S. Senate's Sergeant at Arms.

"This group wanted better working conditions, and they've seen the type of representation we've delivered to other workers on the Capitol grounds," said Terrence Edwards, a business agent for Local 246.

Local 246 also represents more than 100 Capitol Police civilian employees.

LOCAL 830

Daniel C. Tanney Inc.

The NLRB certified Local 830 in Philadelphia to represent 60 employees of Daniel C. Tanney, Inc., a metal fabricator in Bensalem, Pennsylvania. The workers voted 37-11 in favor of Teamsters representation.

"The main issue with these workers was respect," said Joe Brock, President of Local 830. "They're thrilled to be Teamsters."

Brock cited health benefits as a big issue to be addressed in upcoming contract negotiations.

"The main issue with these workers was respect...They're thrilled to be Teamsters."

— JOE BROCK, PRESIDENT OF LOCAL 830.

LOCAL 537

Grupo Bimbo Bakery

Twenty drivers at Grupo Bimbo Bakery in Denver became members of Local 537 and will now be covered by the union's statewide Orowheat contract throughout Colorado.

By falling under the statewide agreement, the new members will receive \$103 more per week in base pay, a waiver of health insurance payments and a litany of other benefits.

"These drivers are ecstatic," said Dean Modecker, a Local 537 organizer who helped orchestrate the card check agreement that enabled the drivers to become Teamsters. "This is one of the best route sales contracts in the country."

LOCAL 264

Albany Ladder

Drivers and service mechanics at Albany Ladder in Amherst, New York voted to join Local 264 in Cheektowaga, New York.

"We were able to show the Amherst workers of Albany Ladder that their best chance at receiving dignity, justice and respect on the job was with a Teamster-negotiated contract," said M. Scott Chismar, an

organizer for Local 264.

Chismar credited much of the success of the campaign to cooperation across the state with Local 294 in Albany that already had an Albany Ladder group under contract.

LOCAL 463

Lehigh Valley Dairy

Fifteen drivers from Lehigh Valley Dairy in Allentown, Pennsylvania joined Local 463.

Local 463 already represents Lehigh Valley Dairy employees at their Lansdale, Pennsylvania facility as well as the Harrington, Delaware depot.

"The company would come in and give these drivers special deals to try and keep them out of the union whenever we tried to organize them," said Robert Ryder, Secretary-Treasurer of Local 463 referring to the Allentown campaign.

After making verbal commitments to the workers, the company, now owned by Dean Foods, recently began laying off drivers, changing pay rates and altering health care benefits.

"These drivers realized the only way you can get the company to live up to its commitments is to get those promises in a legally binding Teamster contract," Ryder added.

RIGHT TO



Anyone who thinks that the United States is all pretty much the same has never worked as an organizer in the South.

"Folks here don't have to belong to a union," observed Jack Cipriani, President of Local 391 in Greensboro, North Carolina.

That distinctive feature of so-called right-to-work states has long been used by employers to prevent their workers from gaining a voice at work. And the contrast becomes more significant at large, nationwide businesses such as United Parcel Service, where a sizeable number of part-time workers share tasks with their largely unionized full-time brothers and sisters.

Meeting the Challenges

Cipriani pointed to the additional challenge of organizing a vulnerable workgroup that typically experiences a nearly 90 percent annual turnover. "We have a difficult time getting to them," he said. "We have to go find them and show them what benefits they can get as Teamsters—and prove to them that it's in their best interests."

To combat the challenge, Local 391 put together an organizing team involving stewards at UPS facilities in Greensboro and Raleigh. Presentations were given to prospective members and new hires. The union's aggressive effort was augmented by assistance from the International's Organizing and Government Affairs departments.

"We went out to the facilities, we went out to the gates," said Cipriani. "Over a period of less than three weeks, we were able to sign up nearly 300 new members."

It's this kind of success that is inspiring officers and activists throughout the region to approach part-time UPS workers. "Internal organizing at UPS is a big thing, especially here in the right-to-work South," said Jim Shurling, President of Local 512 in Jacksonville, Florida.

DA UNION

TEAMSTERS SCORE WITH SOUTHLAND UPS PART-TIMERS

Local 512 is coordinating efforts with the International organizing staff to bring representation to part-timers in the Sunshine State.

Right-to-Work (for Less)

Right-to-work laws create neither rights nor jobs. On the contrary, they prevent workers from negotiating union security clauses into their collective bargaining agreements. These clauses ensure that all workers who receive the economic benefits of union representation share the costs of the services their union provides.

Under right-to-work, the union is still required to represent workers who don't pay dues. This effectively blocks the flow of resources that unions need to represent workers—union and nonunion alike—and cripples organizing efforts.

The result? During 2000, average pay in right-to-work states was 20 percent lower than in states where workers are free to organize.

That's an important message that activists such as Cipriani use to counter management's contention that today's workers don't need a union to protect their rights. "The company pressures part-timers more than anyone else," he noted. "We tell them that they can make their lives better by joining the union."

MESSING WITH TEXAS

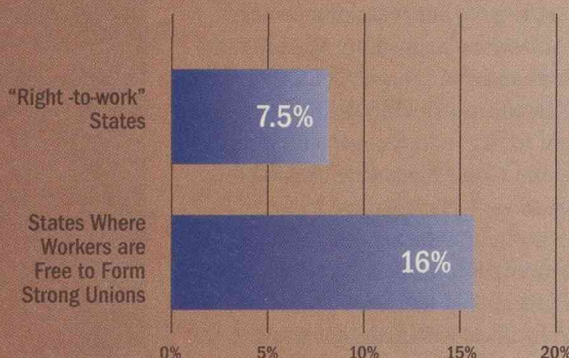
Texas' right-to-work straightjacket hasn't prevented Russell Portillo from spreading the Teamster message to part-timers at United Parcel Service.

"We talk to them about the union," said the organizer with Local 988 in Houston. "The company lets us come in there, and we sit down with them."

Every Monday and Tuesday throughout the year, Portillo and other union activists go to new-hire orientation. The schedule is arduous: Monday classes at 12 noon, 5:30 and midnight; then 3:00 a.m. and 6:00 p.m. on Tuesday. But it's worth it.

"We've had a pretty good success rate," Portillo said. "In a class of six to seven people, we get probably five of them."

PERCENTAGE OF WORKERS IN UNIONS, 2000



ANNUAL AVERAGE PAY, 2000



Note: Right-to-work states are Alabama, Arizona, Arkansas, Florida, Georgia, Idaho, Iowa, Kansas, Louisiana, Mississippi, Nebraska, Nevada, North Carolina, North Dakota, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia and Wyoming.

Sources: Bureau of Labor Statistics, Average Annual Pay by State and Industry, 2000, news release, Sept. 11, 2001.

Prepared by the AFL-CIO.



People go to court seeking justice. And when Teamster probation officers and youth home counselors in Kane, Kendall and DeKalb counties in Illinois went to negotiate a contract with the 16th Circuit Court, they were looking for the same thing—justice.

After months at the negotiating table and numerous low-ball offers, 115 probation officers and youth home workers represented by Local 330 in Elgin, Illinois, voted by more than a 7-1 margin to ratify a strong three-year contract with the 16th Circuit Court. The agreement was a huge improvement over the court's "final" contract proposal that offered a two-percent wage hike. Instead of the paltry two-percent raise, employees secured a 15-16 percent increase in wages and other non-economic gains over the lifetime of the contract.

"I think this contract will lead the way for other probation officers in future contracts," said Christi Johnson, a juvenile probation officer in Dekalb county.

A Hard Road

The negotiations were anything but an open and shut case. In fact, the 16th Circuit Court attempted to drag the process out indefinitely. The job of probation officers and youth home workers is to ensure the community's safety. But while these public servants assess criminal behavior on the job, they were themselves treated in a criminal manner—extorted

Courting Victory

Local 330's Court Employees Ratify Strong Three-Year Contract

and intimidated by management. Local 330 filed unfair labor practice charges against the court after management interfered with and interrogated members of the bargaining unit.

"These workers were fed up with the treatment they received and were no longer willing to sit idly by and be passed over, ignored or taken for granted," said Dominic Romanazzi, Local 330 Secretary-Treasurer.

Probation officers in Kane County also suffered from a pay structure that took too long to reach the \$40,000 annual salary maximum. As a result, yearly turnover was running at about 50 percent with many workers in the 16th Circuit Court leaving for higher paying jobs in surrounding DuPage, Lake and McHenry counties. And yet, a two-percent raise was all that the court was offering, hoping to continue the years of systematic underpayment.

A Long Way Home

Members of the bargaining unit voted to reject the court's contract offer and authorize a strike. The union then agreed to federal mediation, but the court initially said no and refused to negotiate further. After a

tense standoff and the looming threat of a strike, the County Board acknowledged that they had established a contingency fund, and it could be used to provide the salary adjustment the members were seeking.

"Without the county's assistance, I don't think a contract would have been accepted and I think we would have been out on strike," said Adam Christiansen, a youth home worker and member of the negotiating committee.

Ultimately, it made no sense that the Chief Judge would risk leaving sexual offenders, thieves, drunk drivers and other violent criminals unchecked and unsupervised when the whole situation could be alleviated by making a simple funding request.

"Without the Teamsters, they would have walked all over us," said Seretha Hollingsworth, a shop steward and youth home counselor at the Kane County Juvenile Justice Center. "We came a long way from the offer that was originally made."



"This was a giant leap, not a step—it's a great victory for the Teamsters."

— DOMINIC ROMANAZZI, SECRETARY-TREASURER, LOCAL 330

TENTATIVE

Strike Authorization Vote Jump Starts Negotiations



ARGEEMENT

IN FREIGHT



TALKS



Teamster negotiators have reached tentative agreement on a new National Master Freight Agreement (NMFA) that will provide real wage increases, maintain strong health benefits and protect pension benefits.

"This contract rewards our hardworking men and women who work in the freight industry," said Jim Hoffa, General President and Chairman of the Teamsters National Freight Industry Negotiating Committee (TNFINC). "It will provide five years of stability for our members and their families."

At press time, arrangements were being

made for the 65,000 members to vote on the proposed contract.

"We wouldn't have reached this agreement had it not been for the support of our members," said Phil Young, Freight Division Director and Co-Chairman of the TNFINC. "After the talks broke off, we got back to the table quickly thanks in large part to members authorizing a strike. The entire negotiating committee appreciates the members' support."

Strike Vote Spurs Talks

Just prior to securing the tentative agreement, Teamster freight members had

overwhelmingly authorized a strike should a job action become necessary, which sent the companies a clear message that members stood behind the TNFINC.

"By authorizing this strike, we're telling the companies that it's time to share the wealth with the people who create it — we the members," said Carl Madonna, a 33-year Teamsters who drives for New Penn.

The TNFINC unanimously called for the strike-authorization vote after talks broke off early January 20 over economic issues. The companies' earlier offer would have forced some Teamsters to pay a share of their health costs, and the companies'

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INFORMATION AND UPDATES

For detailed information on the tentative agreement visit www.freightunity.org.



earlier wage offers fell short of those contained in the 1998 NMFA.

Linda Giles, a 16-year employee at Yellow Freight who is an over-the-road driver, also voted to authorize a strike.

"I am letting the companies know that our negotiators represent our interests at the bargaining table," said Giles, a head steward at Local 41 in Kansas City. "We all

support our negotiators 100 percent.

More than 95 percent of the members who voted had cast ballots authorizing the strike.



Stewards Play Critical Role at Freight Talks

The negotiating committee enlisted the experience of rank-and-file members in achieving the strong contract. Each week, a different group of rank-and-file members participated in contract talks. They played a crucial role, offering insight and taking knowledge back to their co-workers.

"The contract talks are a real learning process," said Chuck Barrett, a 25-year employee of Yellow Freight who has been a steward for about 14 years. Barrett and another member of Local 745 in Dallas, Texas, Lannis Shepherd, spent a week at the talks.

"I'm learning many things here that I can take back to my co-workers," Barrett said. "By explaining the intricacies of negotiating, I think my co-workers will better appreciate that the benefits spelled out in the contract are hard-fought, and take lots of time to negotiate at the bargaining table."

Barrett expects his co-workers to ask

him many questions upon his return.

"I now have the knowledge to answer their questions. It really takes being here, and participating, to gain that knowledge. The experience will trickle down to my fellow workers in Dallas," Barrett said.

A 16-year employee at Roadway in Irving, Texas, Shepherd agreed with Barrett's assessment.

"There's nothing like hands-on experience and seeing it all take place," said Shepherd, who has four years experience as a steward under his belt.

Like Barrett, Shepherd has also been able to tell the National Negotiating Committee about the issues that are important to the members back home.

"We have the experience of being on the front lines every day, and we constantly hear about what's important to our co-workers," Shepherd said. "Our input really made a difference in the outcome of these negotiations."

"By authorizing this strike, we're telling the companies that it's time to share the wealth with the people who create it — we the members."

—CARL MADONNA, TEAMSTER MEMBER

The Details

The tentative, five-year national agreement will:

- ▶ Win real wage increases;
- ▶ Maintain strong health benefits;
- ▶ Protect pension benefits;
- ▶ Strengthen the grievance procedure;
- ▶ Improve working conditions; and
- ▶ Limit subcontracting

Supplement Improvements

In addition to the national contract, Teamster negotiators have achieved numerous tentative improvements in the supplemental agreements covering the Eastern, Central, Southern and Western regions.

Just some of the supplemental improvements include:

- ▶ More flexibility for taking vacation days;
- ▶ Language addressing paid-for time issues and improved time off;
- ▶ Improved working conditions for sleeper cab drivers;
- ▶ Limits on subcontracting;
- ▶ Improved bidding procedures for road drivers;
- ▶ Limits on 10-hour days; and
- ▶ Improvements for being paid for delay time.

Court Keeps Border Closed

Feds 'Acted Arbitrarily and Capriciously'
in Rush to Open Border

*"In a rush to open the
border, the administration
failed to pay attention to
the health concerns of
U.S. citizens."*

—GENERAL PRESIDENT JIM HOFFA



In a stunning victory for the Teamsters and other labor and environmental groups, a court ordered the federal government to prove that strict environmental standards have been met before Mexican trucks can gain full access to American highways.

The decision of the Ninth Circuit Court of Appeals directed the U.S. Department of Transportation (DOT) to prepare a full Environmental Impact Statement and Clean Air Act conformity determination before opening the U.S.-Mexican border. In its ruling, the court found that the DOT "acted arbitrarily and capriciously."

"In a rush to open the border, the administration failed to pay attention to the health concerns of U.S. citizens," said Jim Hoffa, Teamsters General President. "We are pleased that the court recognized the inherent dangers of the department's policy and is enforcing our nation's laws."

An Ongoing Struggle

This marks the latest development in an ongoing struggle by the Teamsters Union to ensure that Mexican rigs meet the same stringent standards as American vehicles do before they are permitted to gain entry.

Last May, the union joined a broad-based coalition of environmental, labor and consumer groups in a lawsuit to stop the Bush administration from opening the border to Mexican truck traffic. The lawsuit charged the Bush Administration with violating environmental laws by not considering the environmental impact of Mexican trucks, which emit more pollution than U.S. trucks.

On the other side has been the American Trucking Associations

and border state governors, who have lobbied hard to get a green light for trucking provisions under the North American Free Trade Agreement (NAFTA). The big trucking companies want to exploit Mexican drivers—who are paid as little as \$7 a day—to move freight now hauled by American drivers. Despite the pending lawsuit, President Bush lifted the moratorium on Mexican trucks traveling through out the United States on November 27.

Totally Inadequate Standards

As a condition for opening the border under NAFTA, the DOT was to issue regulations governing the process. But in doing so, the agency ignored the National Environmental Policy Act, and with no meaningful facts to back it up, the agency found "no significant impact" and insisted that opening the border would not harm the environment. Yet studies show that Mexican trucks on average generate 150 percent more smog-forming nitrogen oxide and 200 percent more dangerous particulate matter than U.S. trucks.

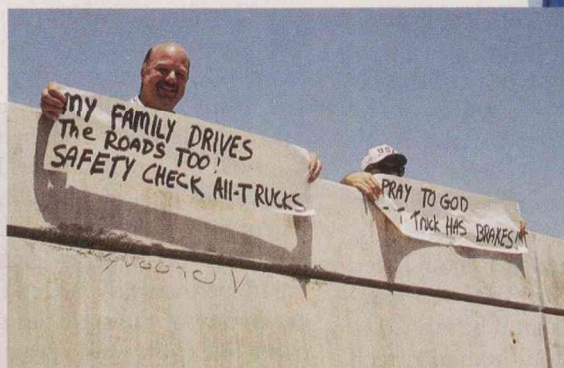
In addition, there is no system in place to systematically inspect the emissions of trucks coming over the border from Mexico. These trucks may also be exempt from a 1998 settlement with manufacturers requiring U.S. trucks to remove "defeat devices" that permit them to test clean at inspection sites but run dirty on the highway.

Currently, Mexico does not have strict controls on diesel emissions, and Mexican trucks do not use comparable

fuels. This results in the emission of significantly greater quantities of harmful air pollutants. The disparity will widen considerably in 2007 when U.S. trucks will be required to comply with more rigorous emissions standards and begin using ultra-low-sulfur diesel fuel.

The dangers posed by cross-border trucking are by no means limited to air quality. Recently, the U.S. General Accounting Office confirmed that Mexican truck safety isn't up to U.S. standards. The agency found that the U.S. lacks sufficient inspection resources at the border to ensure the safety of the American traveling public, and that Mexico lacks adequate standards and enforcement to ensure the safety of its own trucking system.

Mexico-domiciled diesel trucks have already dramatically increased air pollution in the western border states. "Over the last several decades, we have made significant progress creating and enforcing laws that protect people from the dangers of diesel emissions," said Chuck Mack, Western Region International Vice President. "We cannot allow this flawed policy to erase all of our progress."



REPORT 71 TO ALL MEMBERS OF THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS

FROM: Independent Review Board
Benjamin R. Civiletti
Joseph E. diGenova
William H. Webster

DATED: January 13, 2003

I. INTRODUCTION

This is the Independent Review Board's ("IRB") Seventy-first Report to you on its activities conducted pursuant to the Consent Order. In this Report, we will discuss the current status of pending charges about which we have previously informed you. We will also discuss an Information Report which does not contain charges but was issued to the IBT as a means of providing information on an irregularity requiring action by the IBT.

II. STATUS OF PREVIOUS IRB CHARGES

A. ANTHONY RUMORE - Joint Council 16, New York City

In the last issue of the *Teamster* magazine we informed you that Joint Council 16 President Anthony Rumore allegedly brought reproach upon the IBT by failing to investigate whether Barry Feinstein, the former President of Local 237 and Joint Council 16, was a prohibited person. Mr. Feinstein was a prohibited person who pursuant to an agreement permanently resigned from the IBT to settle charges he embezzled approximately \$391,246 from Local 237. Paragraph E(10) of the Consent Decree provides that "officers, representatives, members and employees of the IBT, are hereby enjoined...from knowingly associating with...any person otherwise enjoined from participating in union affairs..."

The charges were referred to members of the General Executive Board. Mr. Hoffa recused himself and delegated authority to Mr. Keegel, as secretary to the Board. Charges were filed and a hearing was held by a hearing panel appointed by Mr. Keegel. On December 13, 2002, the General Executive Board adopted the hearing panel's recommendations that Mr. Rumore was guilty of the charge and that he serve a two-month suspension from all IBT-affiliated union officer or employee positions and provide a letter to all officers of Joint Council 16 and the principal officers of all constituent locals that corrects mistaken information provided in a prior legal opinion letter. On January 13, 2003, in response to Mr. Rumore's January 7, 2003 letter, the IRB notified him that if he wished to appeal the December 13, 2002 decision, he had fifteen days to submit such appeal to the IRB.

B. LOCAL 456 - Elmsford, New York

In the last issue of the *Teamster* magazine we informed

you that the IRB recommended that General President Hoffa place Local 456 in trusteeship because the Local was not being conducted for the benefit of its members. Since at least 1971, there has not been a contested election at the Local and the Doyle family has dominated the Local for years. The Local is rife with nepotism and allegedly has suspicious relationships with several employers. In addition, the Local's maintenance man performed personal work for members of the Doyle family while no Local records were maintained of his work hours and sometimes he was assisted by a union member on the payroll of a Local 456 employer.

Despite his June 1999 suspension, then President Edward Doyle, Sr., continued contact with the Local, seemingly about union business. These contacts were facilitated when he was provided an office at the same address as the attorney for the Local, which office was located in the same town as the Local. He also continued as President of the Building and Construction Trades Council, which continuation deprived the Teamsters of an officer position on that Council.

Current President Bernard Doyle controls who is permitted to join the Local and allegedly has arbitrarily applied his power to exclude individuals. Furthermore, the Local appears to lack proper financial controls. For example, the Local's trustees allegedly did not verify the Local's bank balances monthly as the IBT Constitution required even though the Executive Board appears to have abdicated its responsibilities to members of the Doyle family. Loans to the Local's Holding Corporation of \$2.9 million were not approved by the Local's Executive Board as the bylaws required.

Effective January 7, 2003, General President Hoffa imposed a temporary trusteeship on Local 456 and appointed Daniel J. Kane, Sr., as Temporary Trustee.

C. MICHAEL IANNIELLO - Local 522, Jamaica, New York

We have previously informed you that Local 522 Principal Officer Michael Ianniello allegedly brought reproach upon the IBT by refusing to appear for his sworn in-person examination. Joint Council 73 President Donald DiLeo notified the IRB that the charge was filed against Mr. Ianniello, a hearing was held on September 26, 2002, and Joint Council 73 found Mr. Ianniello guilty as charged. He was permanently barred from the IBT and from IBT-affiliated entities. In response to an IRB inquiry, by letter of January 7, 2003, Joint Council 73 clarified the language in its decision to state specifically that Mr. Ianniello was permanently expelled from membership in the union, permanently barred from participating in any manner in any of the activities or affairs of Local 522 or any other IBT entity, and permanently barred from seeking or accepting compensation from any IBT entity of any kind except fully vested pension and welfare benefits. On January 10, 2003, the IRB notified Joint Council 73 that its decision was not inadequate.

D. WAYNE TRAGNI - Local 813, Long Island City, New York

In the last issue of the *Teamster* magazine we informed you that Local 813 member Wayne Tragni allegedly brought reproach upon the IBT by failing to appear for his scheduled sworn in-person examination. Before the charge was filed and a hearing date was set by Local 813, Mr. Tragni requested and was granted a rescheduling of his examination, which was held on October 28, 2002. On January 7, 2003, Local 813 President Needham notified the IRB that on February 13, 2003, a panel will hold a hearing on the charge against Mr. Tragni.

E. LOCAL 901 - San Juan, Puerto Rico

In past issues of the *Teamster* magazine we informed you that the IRB recommended that General President Hoffa place Local 901 in trusteeship because the Local over a number of years allegedly engaged in a pattern of conduct in violation of the IBT Constitution and which prevented the members from obtaining information and exercising their rights. The Local allegedly made unauthorized and questionable expenditures of Local funds, had inadequate financial controls, and has never operated under approved Bylaws. Further, the Local's Executive Board allegedly engaged in a pattern of approving expenditures for Board members' benefit which Local members did not approve as required in the absence of effective Bylaws. The Executive Board allegedly established from the Local's checking and savings accounts, in addition to union pension rights, a retirement fund for Local officers which the Local's members never approved. When they terminated the plan after about four years, \$255,674 was distributed to five Board members while they continued their employment.

The IBT conducted meetings in IBT headquarters in Washington, D.C., with the officers of Local 901, discussed the changes that must be made to the bylaws and the procedures for their approval by the membership, planned monitoring activities at Local 901 headquarters, and told the officers that the initial action would be supervision of the upcoming election. On January 9, 2003, Mr. Szymanski informed the IRB that Mr. Angelo Class was developing a plan to investigate various issues identified in our report, that the election was supervised and certified, and that the proposed bylaws for the Local have a few issues to be resolved.

III. INFORMATION REPORT

On December 12, 2002, the IRB issued an Information Report to the IBT General Counsel concerning Local 142 business agent and former trustee Steve Utley. Mr. Utley allegedly used a Union car to harass another driver and threatened the driver with a gun. He pled guilty in Court to two counts of Criminal Recklessness and one count of Reckless Driving and received two one-year and one six-months jail sentences. The sentences were suspended wherein he received one year probation. At the time of this incident, Mr. Utley was a trustee on Local 142's Executive Board and a business agent. On January 9, 2003, General Counsel Szymanski informed the IRB that apparently the Local Union's action fell short of what was appropriate and the issues will be investigated.

IV. TOLL-FREE HOTLINE

Since our last report to you, the hotline has received approximately 90 calls reporting alleged improprieties. As in the past, all calls which appeared to fall within IRB jurisdiction were referred for investigation. Activities which should be reported for investigation include, but are not limited to, association with organized crime, corruption, racketeering, embezzlement, extortion, assault, or failure to investigate any of these.

Please continue to use the toll-free hotline to report improprieties which fall within IRB jurisdiction by calling 1-800-CALL-IRB (1-800-225-5472). If you are calling from within Washington, D.C., dial 434-8085. The IRB facsimile number is 202-434-8084.

V. CONCLUSION

As always, our task is to insure that the goals of the Consent Order are fulfilled. In doing so, it is our desire to keep the IBT membership fully informed about our activities. If you have any information concerning allegations of wrongdoing or corruption, you may call the toll-free hotline noted above or you may write to either the IRB Chief Investigator or the IRB office:

Charles M. Carberry, Chief Investigator
17 Battery Place, Suite 331
New York, NY 10004

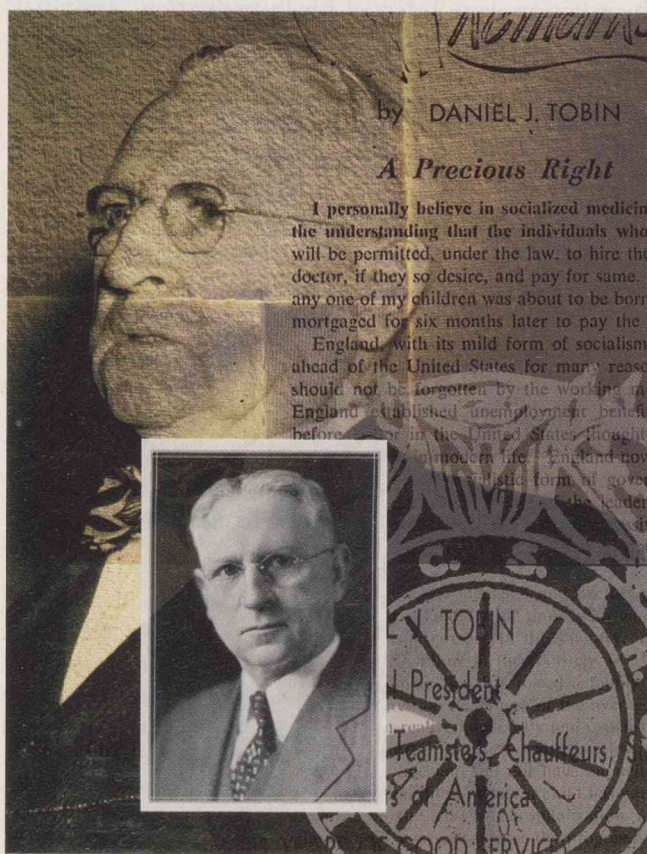
Independent Review Board
444 North Capitol Street, NW
Suite 528
Washington, DC 20001

PART ONE IN A SERIES

Daniel J. Tobin: A Proud Legacy

General President Led Teamsters Through Labor's Most Turbulent Years

RISH-BORN DANIEL J. TOBIN CAME TO THE UNITED STATES IN 1889 AT THE AGE OF 14. A MEMBER OF BOSTON'S LOCAL 25, TOBIN ROSE FROM HUMBLE BEGINNINGS AS A DRIVER FOR A MEAT MARKET TO BECOME ONE OF AMERICA'S MOST POWERFUL MEN THROUGHOUT THE FIRST HALF OF THE 20TH CENTURY.



*"Our movement is founded on justice and if we **stick together**, work together as one solid unit determined to **fight for what is right**, those who come after us will enjoy the blessings of freedom and justice."*

As Teamsters General President from 1907-1952, Tobin took a fledgling union with an uncertain future and helped transform it to the most powerful labor organization in North America. During his tenure, the Teamsters Union grew from approximately 30,000 members to more than 1.1 million.

Wise Leadership

Tobin was known for his frugality and consolidation. Unity and growth were his primary concerns. His conservative nature suited the union well in this era of great change. It was on his watch that the most important technological advance in the history of the Teamsters took place—the mass production of motorized transport and the advent of the motor truck.

Tobin's concern with building the Teamsters' financial resources also proved wise when the country fell into the depths of the Great Depression. A loyal supporter of Franklin Delano Roosevelt, Tobin was instrumental in getting out the labor vote in each of FDR's four victorious presidential campaigns. There followed legislation

encouraging advancement of the union movement and legal sanctioning of collective bargaining. It was at this time that Tobin helped establish the framework for the minimum wage, the 40-hour week and time-and-a-half for overtime.

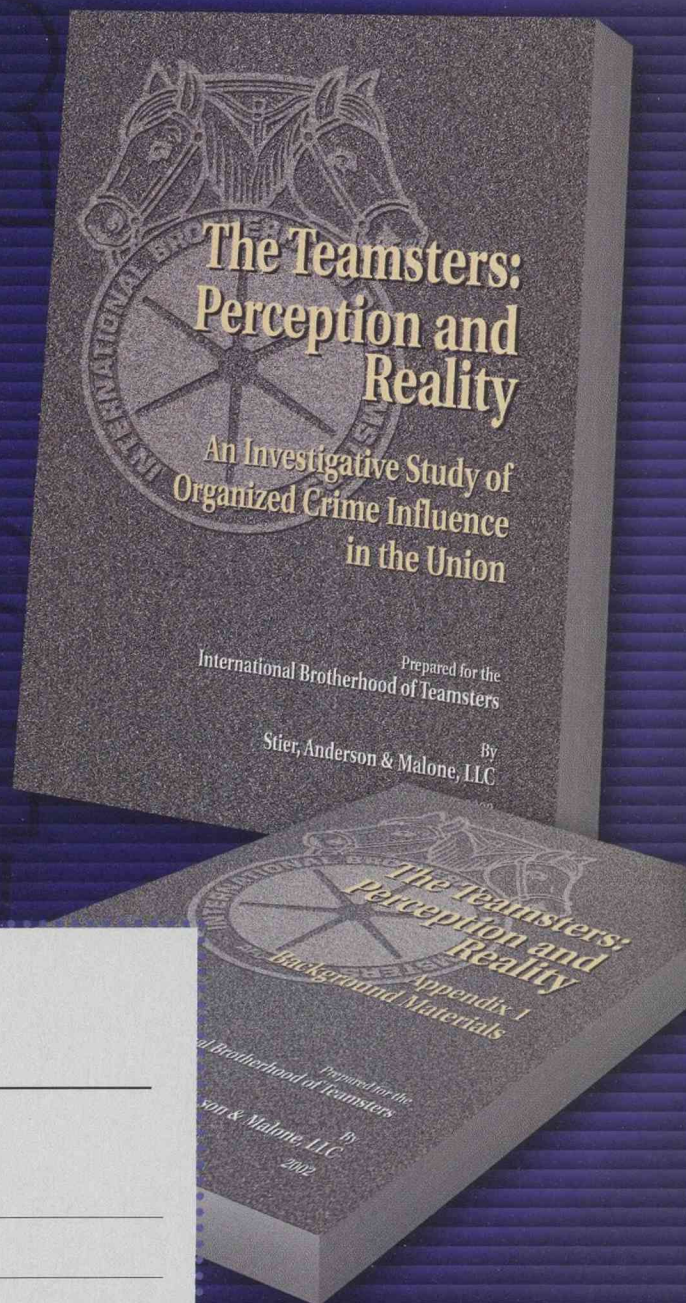
End of an Era

Tobin ended his 45-year tenure at the 1952 convention in Los Angeles. After having his name once again placed in nomination, he arose, looked out over the crowd and addressed the assembly, "Mr. Chairman," he began, "I desire to place before you another nomination for the office of General President, and at the same moment I also desire to advise you—and I must ask you to respect my wish—that I am not a candidate for the office of General President." There were cries of, "No, no, no, Dan," from throughout the auditorium, but it was the end of an era.

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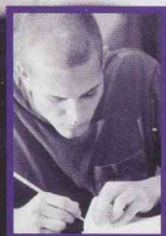
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INTERNATIONAL BROTHERHOOD OF TEAMSTERS

MAY/JUNE 2003

TEAMSTER



UNITY PAYS

MEMBERS RATIFY FREIGHT CONTRACT BY RECORD MARGIN



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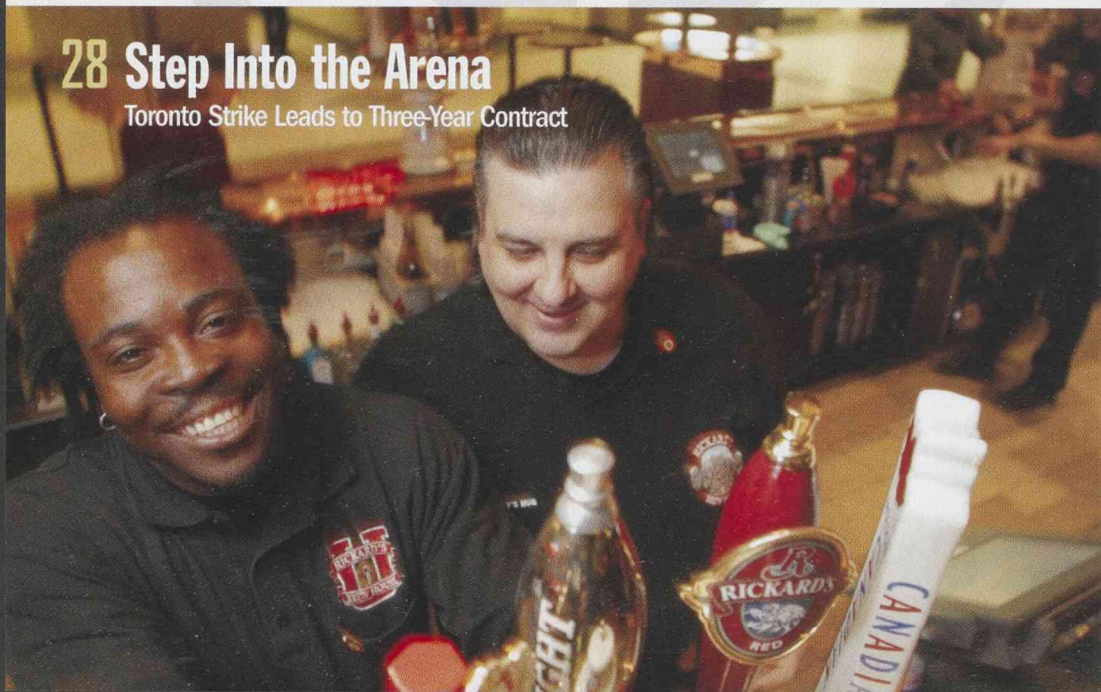
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TEAMSTER

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A MESSAGE FROM THE GENERAL PRESIDENT

Restoring the Power

Unity is what the labor movement—and our great country—is all about. United we stand, divided we fall—it cannot be summed up any better.

Over the past several months, the Teamsters have registered monumental victories with historic contracts at UPS—and now—in freight. And these victories were the direct result of our members' solidarity. In both campaigns, well over 90 percent of the membership voted to authorize a strike should a job action become necessary to obtain justice. That kind of unity showed the employers that members stood behind their negotiating committees in demanding what they had worked so hard for—a strong and fair contract.

In both the freight and UPS negotiations, the employers responded by abandoning their stalling tactics when they realized we meant business. And the resulting agreements are milestones that speak for themselves.

Real Improvements

Our freight contract is certainly one agreement we can be proud of. In addition to maintaining our strong health

care benefits, protecting our pensions and winning the highest wage increases in more than a decade, the new five-year National Master Freight Agreement (NMFA) restored "The Hammer"—our right-to-strike over deadlocked grievances. This contract proves that Teamster Power is back and rolling on our nation's roads.

And like the UPS agreement, the freight contract provides a shot in the arm to all American working families who have been faced with givebacks and concessions during these tough economic times. Our unity has resulted in real improvements in workers' lives. Our union is leading the way and putting the power back where it belongs—with working men and women.

Home of the Brave

On a more somber note, American fighting men and women are currently placing their lives at risk. Many Teamsters have been called to duty in the Middle East—whether it's a Costco worker in California, a loader at UPS in Louisville or a Roadway Express driver in St. Louis. These are American heroes, leaving families to serve in a foreign land while we keep our country moving here at home.

Reasonable people, both within and outside of the labor movement, have differed on the issues surrounding this conflict. Yet now that the battle for the liberation of Iraq has begun, we must close ranks, rally behind our troops—thousands of them Teamster reservists—and reassure them of our support and prayers for a swift and safe return.

Remember, United We Win!

James P. Hoffa



Friend of Labor Runs for President

Congressman Richard Gephardt, Son of Teamster, Vies for Democratic Party Nod

Strong contracts have fueled the dreams of Teamster sons and daughters for years. Guaranteed wages and benefits mean that Teamster members can raise their families on solid footing. That strong foundation is now launching Rep. Richard Gephardt's dream of running for the highest office in the land — President of the United States.

Rep. Gephardt (D-MO) is the son of a Teamster milk truck driver. He has served in the U.S. Congress since 1976, enjoying leadership roles both in Congress and in the Democratic Party. Throughout his career, his support for working families has been unwavering.

"It doesn't matter what the issue is—unfair trade deals, cross border trucking, the minimum wage—Congressman Gephardt has stood by



"My Dad was a Teamster and used to always tell me around the kitchen table, 'If I didn't have the Teamsters bargaining for me, I couldn't get fair wages for my hard work.'"

—REP. RICHARD GEPHARDT

our side," said Mike Mathis, Teamsters Government Affairs Director. "We need more representatives like him."

The 2004 race for the White House is already in motion with as many as nine Democrats announcing their intention to run for the Oval Office.

At recent meetings of the AFL-CIO in Florida, many candidates attended in order to put their best foot forward for a potential endorsement. The Teamsters will make no endorsement without extensive input from rank-and-file members.

"We're at the very early stages of a long process," Mathis added. "It's good to get a chance to size up the candidates early. Candidates like Dick Gephardt give our members attractive options, should they choose to honor anyone with their endorsement."

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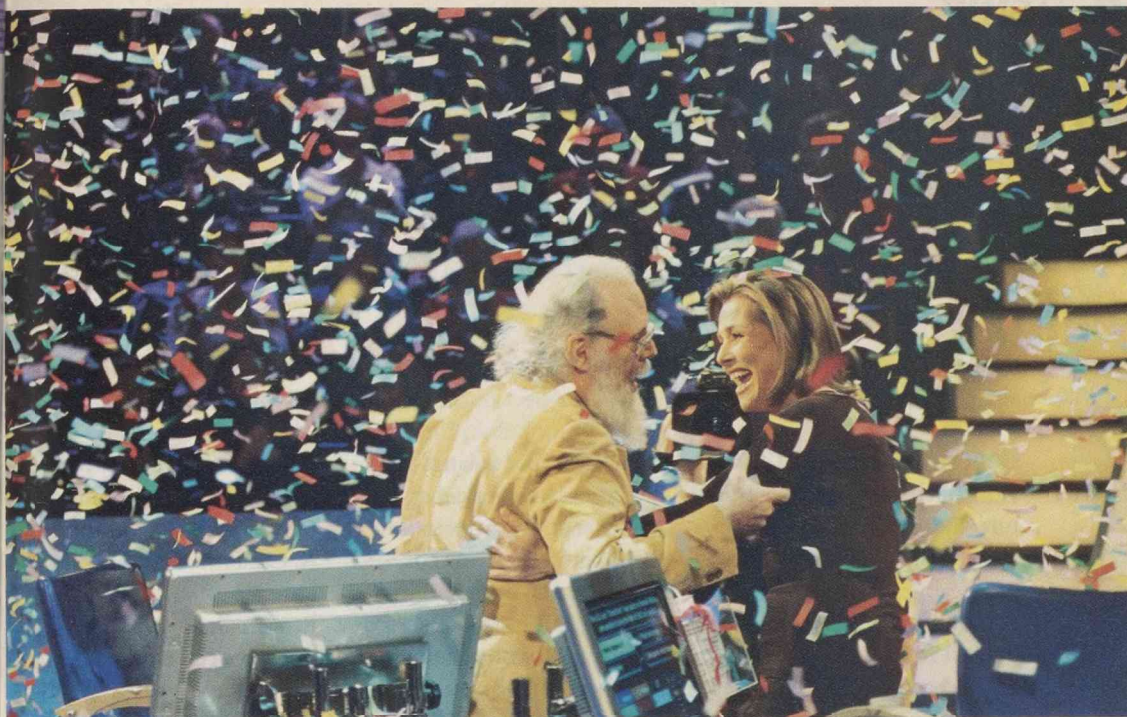
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Teamster Retiree Wins a Fortune

Kevin Smith Hits Jackpot on "Who Wants to Be a Millionaire"

Building your knowledge is a good idea for everyone. But for Teamster retiree Kevin Smith, it also proved very profitable.

When Smith worked as a Teamster truck driver, he got a device that enabled him to pick up the audio from TV stations as he rolled along the nation's highways. In an effort to improve his intellect, he spent countless hours tuned into documentaries, network news and news magazine shows such as "60 Minutes."

"Sometimes I could pick up all three of the major network news broadcasts in an area because they were on at different times. I used my time behind the wheel to become less stupid," said Smith, 52, a Teamster truck driver from 1976 till the mid-1990s, when he retired.

All that high-speed cramming paid off when Smith won \$1 million on the syndi-

cated TV show "Who Wants to Be a Millionaire," fulfilling his dream of winning a fortune on a game show that he has spent 45 years pursuing. He credits his on-the-road listening with helping him win the money.

Family First

But don't expect this newly acquired wealth to change Smith, who was a longtime member of Local 63 in Rialto, California. Rather than spend the money on lavish items, or take an extravagant vacation, Smith plans to put nearly all of the money into a trust for his mother and two sisters to live on. One of his lifetime goals was to have enough money to be able to provide for his parents. His father is deceased.

Smith will continue living the simple life, taking the bus around the Los Angeles area rather than drive—he doesn't

own a car and doesn't plan on getting one.

Proud Teamster

Smith worked for a handful of trucking companies and also worked at United Parcel Service as a feeder driver. With the help of his Teamster pension, he retired early and began pursuing full-time his goal of winning a fortune by visiting the library daily.

"I've been a union guy since 1968," Smith said. "I enjoyed being a Teamster—it's

top notch. I couldn't have asked for a better experience."

Smith said he knew most of the answers to the 15 multiple-choice questions, but guessed on a few. For the final, \$1,000,000 question, he instantly knew the answer to the following question: "U.S. icon Uncle Sam was based on Samuel Wilson, who worked during the War of 1812 as an A) meat inspector; B) mail deliverer; C) historian; D) weapons mechanic." (The correct answer is A.)

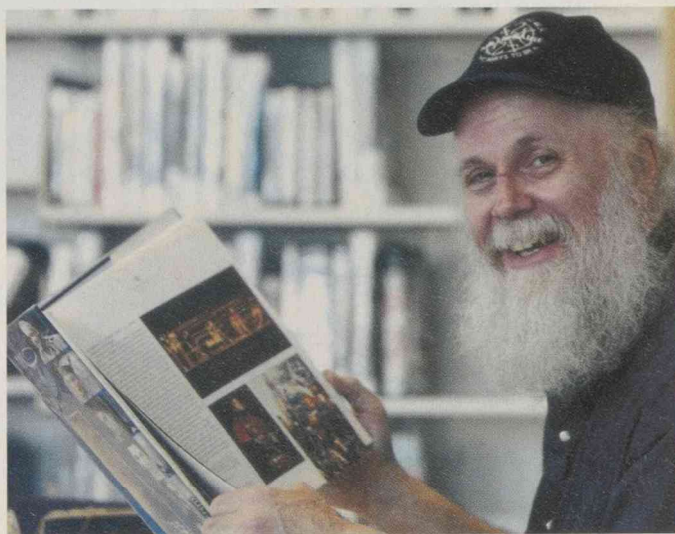


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Carter's Country

New Book Details Life of a True Teamster Patriot

After being shot six times, Staff Sgt. Edward A. Carter Jr., a former Teamster, killed six Nazis and took two others prisoner in a single World War II battle.

While he won the admiration of his fellow soldiers, the Army kept a secret dossier on Carter's suspected Communist ties from the time he enlisted in 1941—ties which proved to be completely false.

In 1997, President Clinton awarded a posthumous Medal of Honor to Carter's son to honor his father who died in 1963. Edward Carter III is also a Teamster—he is a driver for Yellow Freight in Gardena, California, and is a steward at Local 692.

In 1999, the Army declared what Carter's son and daughter-in-law, Allene Carter, knew all along—that the Army's suspicions were all false. In a solemn Pentagon ceremony, the Army said that their long investigation proved there was no evidence of disloyalty. Army officials said the injustice arose from the fervent anti-communism views that existed at the time.

Honoring Sergeant Carter

Now Allene Carter has captured her father-in-law's life story in the book titled, "Honoring Sergeant Carter" (Amistad Books, \$23.95, available in book stores; visit www.honoringsergeantcarter.com).

ing what he did wrong."

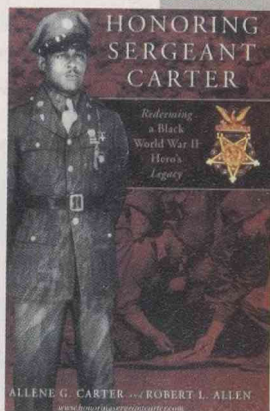
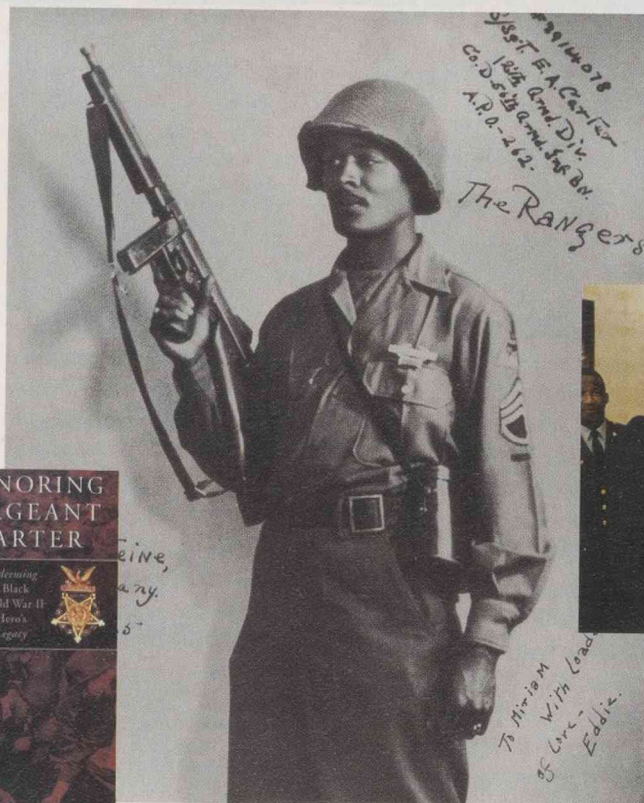
Carter later worked as a Teamster at tire factories in Washington state and Los Angeles.

"Sergeant Carter was a true American hero, but he suffered injustices. Fortunately,

amends to the family by naming an ammunition ship after Carter, the M/V SSG Edward A. Carter Jr., which is presently serving U.S. forces in the Persian Gulf.

At the ceremony in 1997, Carter was one of seven black World War II veterans who were awarded the Medal of Honor, the nation's highest award for bravery.

But his family didn't want to stop there. They pushed ahead to clear his name. In the summer of 1999, Clinton



"They blame suspected communist ties, but the family believes that racism played a major role," Allene Carter said. "When he tried to reenlist in the Army in 1949, the Army refused, and it broke his heart. He went to his grave without ever know-

ing what he did wrong." Carter later worked as a Teamster at tire factories in Washington state and Los Angeles.

"My father was very proud to be a Teamster," Edward Carter III said.

A Proud Legacy

The military has tried to make



wrote to Carter's widow, Mildred, to express his regret for the way Carter was treated.

"Had I known when I presented this Medal of Honor two years ago, I would have personally apologized to you and your family," Clinton said.

Going Back For Seconds

Food Processing Leaders Look to Increase Membership

Tens of thousands of Teamsters work in food processing, and the organizing potential in this industry is even greater.

That's the message several dozen union leaders and activists heard during the Food Processing Policy Committee's Western Area Organizing meeting at Local 439 in Stockton, California. The committee holds organizing workshops every three months.

"The recent dues increase has generated funds to organize and we have built a partnership with local unions to recruit new members," said Fred Gegare, International Vice President and Dairy Conference Director. "This is a

new day for workers in Food Processing."

Organizing For The Future

The Teamsters General Executive Board recently adopted a resolution that requires all food processing contracts be submitted to the Regional Director for approval prior to ratification. This will help ensure the integrity of contracts across the nation.

Attending the meeting were Al Hobart, International Vice President and President of Joint Council 28 in Seattle; Manny Valenzuela, Director of Organizing for the Western Region; John Souza, International Representative and Western Region Director for the Food Processing Policy

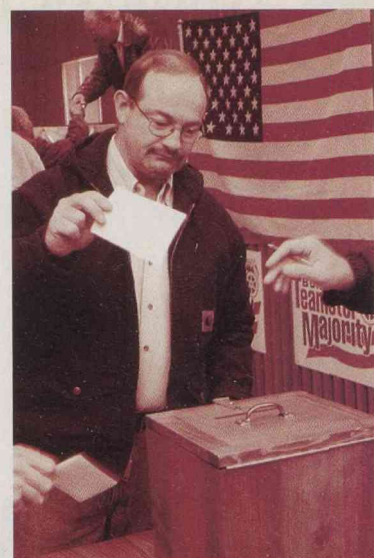
"We are on the front lines in the battle to organize in food processing. The International has committed the resources—we must protect our contracts and organize to grow."

— AL HOBART, INTERNATIONAL VICE PRESIDENT AND PRESIDENT JOINT COUNCIL 28

Committee; and many others.

"A program has been developed within each Joint Council to organize," Valenzuela said.

"We are on the front lines in the battle to organize in food processing," Hobart said of the organizers in attendance. "The International has committed the resources—we must protect our contracts and organize to grow."



Join the Fight
to beat back the erosion of worker-friendly legislation!

Local 251 Assists Nightclub Victims

Teamsters and Family Members Among Those Injured, Lost

Local 251 in East Providence, Rhode Island has set up a special fund to assist the victims of the nightclub fire at The Station in West Warwick. The fire, which engulfed the club on Feb. 20 during a Great White concert, severely burned two members of Local 251 and killed many family members of Teamsters.

The blaze killed at least 98 people with many still in the hospital from injuries sustained in the fire.

"During this very tragic and heart wrenching time, we wanted to do whatever we could to help our Teamster brothers and sisters and their families," said Stuart Mundy, Secretary-Treasurer of Local 251.

"Our deepest condolences go out to those who lost loved ones and to the injured."

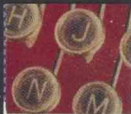
Donations to The Station Nightclub Fire Victims Fund will go toward helping all families affected by the tragedy.

For more information on The Station Nightclub Fire Victims Fund or to contribute, contact Susan Folan at (401) 434-0454 ext. 221.

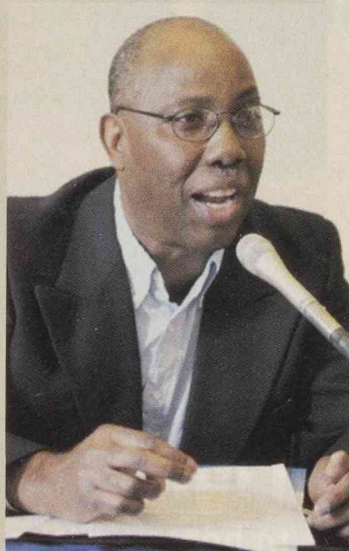


Take the wheel and DRIVE home the issues that are important to you, America's working families. Join DRIVE—the union's political arm—by contacting your local union or by calling the IBT Government Affairs office at (202) 624-8741. Contribution forms can also be downloaded off the IBT website at <http://www.teamster.org>.





TEAMSTER NEWS



"We help labor's cause when we educate non-union workers about who we are and what we do. Teamsters are in a unique position because we work in all professions."

— GREG DEMINT, LOCAL 639 MEMBER

Speaking Truth To Power

UPS Members Educate Congressional Staffers

Mike Hicks and Greg DeMint work for United Parcel Service in the Washington, D.C. area and have nearly 20 years of experience as union members. The two Local 639 members recently addressed a symposium of congressional staffers, economists and other union members on Capitol Hill to provide insight into the world of organized labor.

"It was a pleasure and an honor to visit Capitol Hill and speak before these staff members," DeMint said. "We help labor's cause when we educate non-union workers about who we are and what we do. Teamsters are in a unique position because we work in all professions."

"Many of these staffers will now advise their bosses on

legislation affecting our livelihoods," Hicks said. "Presentations like these drive home the point that union members are everyday working people and that our rights and way of life should be protected and preserved."

Unions led by the Teamsters and the AFL-CIO are involved in a nationwide effort to educate people on the economic needs of working families.

"There has been a movement in this country to mislead the American public into believing tax cuts are the best way to empower workers economically," said Jim Hoffa, Teamsters President. "The true way to empower workers is not through tax cut gimmicks but by actually helping them earn more money and have better benefits."

Defending the Right to Vote

Union Safeguards Separate Ballots at UPS

Teamsters General President Jim Hoffa and Parcel and Small Package Division Director Ken Hall have successfully preserved their members' right to vote on both the National Master United Parcel Service Agreement and the supplemental agreements.

Shortly after members approved the national contract and supplements last summer, UPS filed a complaint with the National Labor Relations Board (NLRB) challenging the casting of separate votes for the national contract and the supplements, arguing that there should only be one vote.

Hoffa worked with Hall to make sure that didn't happen.

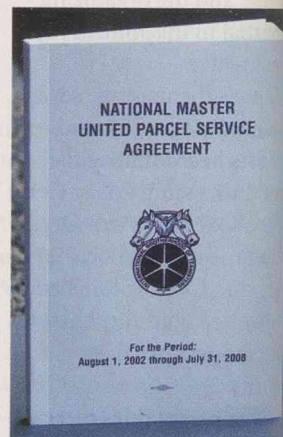
"These are separate agreements, and our UPS members deserve to vote on each separately," Hoffa said. "We will not surrender our voting rights."

Justice Prevails

Hall aggressively defended the Teamsters' right to vote, arguing that the supplements contain language specific to different geographic regions of the country, and address specific issues important to members.

The company later withdrew its complaint.

"This was an issue that resonated with the members across the country. We will continue to fight for justice



[The Teamsters' right to vote is] an issue that resonated with the members across the country. We will continue to fight for justice and safeguard members' rights."

— KEN HALL, PRESIDENT OF LOCAL 175

and safeguard members' rights," said Hall, who also serves as President of Local 175 in Charleston, West Virginia.

"The union leadership did a great job defending our right to vote separately on the agreements," said Dan Scarano, a package car driver and member of Local 639 in Washington, D.C. "It's nice to know the union will stick up for us on these important issues."

House Majority Leader De-Lays an Egg

Letter From Anti-Union Group Criticizes Labor

Teamsters General President Jim Hoffa blasted U.S. House Majority Leader Tom Delay for signing an anti-union fund-raising letter that accused "big labor bosses" of seeking to expand their power at the expense of national security.

The letter sought to raise money for the National Right to Work Legal Defense and Education Foundation, a staunch anti-union organization. The letter criticized "the union bosses' drive to use the national emergencies we face today to grab more power," citing several union strikes as unpatriotic acts.

Hoffa chastised Delay in a letter.

"While I take umbrage to any statement that questions the patriotism of myself and the members of this union, I consider such an accusation a particular affront to our Teamster Brothers and Sisters who are called to active duty. Almost every day, I hear about another Teamster who is leaving his or her home and family to defend our great country."

Hoffa called on Delay to retract his statements, and to apologize to union members.

After receiving Hoffa's rebuke, Delay disavowed the letter, claiming he never saw it. A Delay spokesman said one of the congressman's assistants had made a mistake in approving the letter and attaching Delay's signature stamp.

The New York Times SATURDAY, FEBRUARY 8, 2003

DeLay Denies Role in Letter Riling Unions

Patriotism of Labor Called Into Question

By STEVEN GREENHOUSE

Representative Tom DeLay, the House majority leader, yesterday disavowed an anti-union fund-raising letter that bears his signature after several union leaders condemned the letter because it accuses "big labor bosses" of seeking to expand their power at the expense of national security.

The letter, which raised money for the National Right to Work Legal Defense and Education Foundation, criticized "the union bosses' drive to use the national emergencies we face today to grab more power." It said this drive "presents a clear and present danger to the security of the United States."

Last night Mr. DeLay's spokesman, Stuart Roy, said that Mr. DeLay disavowed the letter, dated Jan. 8, and had never seen it until Thursday. Mr. Roy said one of Mr. DeLay's assistants had made a mistake in approving the letter.

Mr. Hoffa said the letter undermined the Teamsters' efforts to work with both Republicans and Democrats. He called on Mr. DeLay to retract the statements and to apologize to union members "for suggesting that their efforts to defend basic labor rights are tantamount to aiding and abetting the enemy."

After being asked to respond to Mr. Hoffa's letter, Mr. Roy said, "Tom DeLay doesn't believe the words that were ascribed to him." He added that Mr. DeLay did not approve the contents of the letter, "nor, since he doesn't believe it would he approve the overheated fund-raising hyperbole in the letter."

The letter on behalf of the Right to Work group, which opposes compulsory payment of union dues, gives several examples, including strikes, that it said demonstrated that union leaders have used national emergencies to increase their power.

The letter said that the longshoremen had "exploited America's urgent economic and national security needs" by forcing a shutdown of West Coast ports. It added that the machinists' union had "shamefully exploited the nation's critical war needs" when workers went on strike for two months last year at a Lockheed Martin plant in Georgia that assembled F-22 fighter jets and C-130-J military transports.

Said the letter: "As the World Trade Center and Pentagon still smoldered, high-paid union lobbyists convinced Democratic Senators Ted Kennedy and Hillary Rodham Clinton to try ramming through legis-



When Tragedy Hits

The Teamster Disaster Relief Fund Is There

A Great Recovery

Teamsters Win Second Largest Securities Fraud Recovery Ever

Investors in Lucent Technologies won a historic victory as a settlement was reached in an accounting fraud class action lawsuit led by Teamsters West Virginia Pension Trust Funds. More than \$600 million dollars will be repaid to investors as part of the settlement.

"The Teamsters take our responsibility to our members' pensions very seriously," said Ken Hall, President of Teamsters Local 175 in Charleston, West Virginia. "These lost investments will

be restored to Teamster pensions and we will continue our battle to hold corporations accountable for their actions."

Pension Trust Funds at Local 175 and Local 505 were the court-appointed lead plaintiffs in the lawsuit that resulted in the second-largest securities fraud recovery ever. All purchasers of Lucent Technologies stock during the class period, including other Teamster pension funds, are eligible to file claims in the settlement.



"Our efforts to protect our members' retirement savings and to punish corporate fraud and malfeasance are clearly working," said James P. Hoffa, Teamsters General President. "We will continue to protect our investments and fulfill our fiduciary duties to our membership."

Be there for the Teamster Disaster Relief Fund

Send your tax-deductible contributions to:

Disaster Relief Fund
c/o International Brotherhood of Teamsters
25 Louisiana Avenue NW
Washington, D.C. 20001

THE CURRENT NMFA REVERSES A DECADE-LONG TREND OF THE PRIOR UNION ADMINISTRATION NEGOTIATING CONCESSIONARY FREIGHT AGREEMENTS. THE TOTAL VALUE OF THE NMFA IS \$1.7 BILLION—COMPARED TO ABOUT \$1 BILLION IN 1998. MOST NOTABLY, THE CONTRACT RESTORES THE UNION'S RIGHT-TO-STRIKE OVER DEADLOCKED GRIEVANCES THAT WAS GIVEN AWAY IN 1994.

Teamsters Win Historic **FREIGHT CONTRACT** RECORD 86 PERCENT VOTE IN FAVOR OF RATIFICATION

After nearly a decade, it's "hammer time" once again. The Teamsters made history when 86 percent of those voting said "yes" to a new five-year National Master Freight Agreement (NMFA). The overwhelming vote in favor of ratification was the highest margin ever.

In addition to providing significant wage increases and maintaining strong health care benefits without premium co-pays, the contract restored "The Hammer"—the Teamsters' right-to-strike over deadlocked grievances.

"We got the power back, we got the hammer back," said Jim Hoffa, Teamsters General President. "By approving this agreement, our freight members now have five years of security for themselves and their families. We have truly achieved an historic contract."

"It's the best contract we've had in years," said Robert Eckert, a member of Local 100 in Cincinnati and a 30-year employee of Roadway Express. "Keeping co-pays at zero is a great accomplishment because companies want their workers to pay more. Holding it to zero is great."

The NMFA covers about 65,000 Teamsters at Roadway, Yellow, ABF Freight System and USF Holland. Another 20,000 Teamsters who work for smaller companies are covered by "me-too" and "white paper" agreements. The current NMFA reverses a decade-long trend of the prior union administration negotiating concessionary freight agreements. The total value of the NMFA is \$1.7 billion—compared to about \$1 billion in 1998. Most notably, the contract restores the union's right-to-strike over deadlocked grievances that was given away in 1994.

ILLUSTRATION BY ROBERT PEREDA





This fulfills a pledge that Hoffa made at the beginning of negotiations and restores the crown jewel of the NMFA negotiated under his father, James R. Hoffa (see page 32). In 1964, the first NMFA shifted bargaining power from the regional to national level, revolutionized the way America moved its goods and brought a whole new generation of workers into the middle class.

A Giant Leap Forward

"I'm pleased that our members ratified this contract, because it is the most improved master freight agreement I've ever been involved with," said Phil Young, Co-Chairman of the Teamsters National Freight Industry Negotiating Committee (TNFINC), who has participated in freight negotiations for more than two decades. "Beyond the solid wage and benefit increases, there is language that improves our members' daily conditions on the job."

In early February, after the TNFINC unanimously recommended approval of the tentative contract, Hoffa announced in Chicago that the union and employers had reached tentative agreement on a new NMFA.

"This contract takes a giant leap forward for freight members while other unions battle to stand in place," said Hoffa.

CONTRACT HIGHLIGHTS

► **Wage increases** of \$2.25 per hour over the life of the agreement (.50, .40, .40, .45, .50) compared to \$1.40 per hour in the 1998 agreement;

► Highest **health and welfare increases** ever of \$3.10 per hour (.60, .60, .60, .60, .70) compared to \$2.10 per hour in the 1998 agreement;

► An **open-ended grievance procedure** with the right to strike over deadlocked grievances;

► A **real COLA** of \$.01 per hour for every .2 increase in the CPI after 3 percent;

► **Employers prohibited from subcontracting** any work in the United States to a Mexican carrier;



► **Health and welfare insurance paid for military leave increased** from 12 to 18 months;

► **One additional week vacation**—from five to six weeks—after 30 years of service;

► **Air conditioning** for all city equipment purchased after 4/1/03;

► **Walk-in sleeper cabs** for all sleepers purchased after 4/1/03;

► Expanded **employment opportunities** to laid off NMFA workers;

► **Higher minimum-speed standards** on all road equipment, both new and existing;

► Establishment of **pay premiums** for sleeper teams and premium service; and

► **Extension of jury duty time** from 10 to 15 days.



"THIS CONTRACT TAKES A GIANT LEAP FORWARD FOR FREIGHT MEMBERS WHILE OTHER UNIONS BATTLE TO STAND IN PLACE."

—JIM HOFFA, TEAMSTERS GENERAL PRESIDENT

who served as Chairman of the TNFINC. "We maintained our strong health care benefits, protected our pensions and won the highest wage increases in more than a decade."

Strike Vote Crucial to Victory

In mid-January, as talks seemed to progress, negotiations suddenly broke off over economic issues. The breakdown forced the TNFINC to call for a strike-authorization vote.

That's where members came through and showed their unity. Strike authorization was approved by more than 95 percent of the freight membership, providing a kick-start to talks. With rank-and-file members united in support of the Teamsters negotiating committee, the employers moved quickly in the direction of the union's demands to secure a contract.

"We couldn't have accomplished what we did without our members' unity," said Tom Keegel, Teamsters General Secretary-Treasurer. "The members stood with our negotiating team all the way."

From the beginning of negotiations, rank-and-file involvement was a crucial part of the 2003 Freight Unity campaign.

A Voice at the Table

"Member involvement played a big part in the success of the UPS contract last year," Young said. "We made sure the freight talks included voices from freight members."

When key issues were on the table, the TNFINC enlisted the experience of rank-and-file members in achieving the strongest contract possible.

Lannis Shepherd, a 16-year employee



NO MEXICAN SUBCONTRACTING

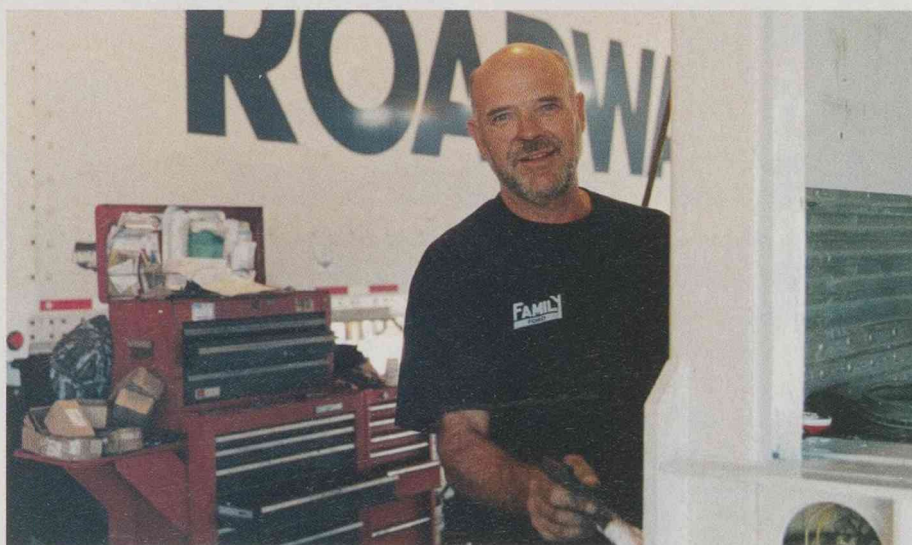
T rue to its forward-looking vision, the National Master Freight Agreement includes a provision that prohibits employers from subcontracting any work in the United States to a Mexican carrier.

"This is one of the major steps we have taken to enhance job security and protect the work of our freight members," said Jim Hoffa, Chairman of the Teamsters National Freight Industry Negotiating Committee. "This contract prevents subcontracting to Mexican operators—a major victory in this time of unfair trade."

Protecting Members and the Public

The language dovetails with the Teamsters Union's ongoing efforts to protect its ranks despite efforts by carriers and shippers to grant full U.S. highway access to Mexican rigs under the North American Free Trade Agreement.

In January, a federal appeals court ordered the U.S. Department of Transportation to prepare a full Environmental Impact Statement and Clean Air Act conformity determination before it can open the U.S.-Mexican border. The action came after the Teamsters and other members of a broad-based coalition of environmental, labor and consumer groups sued the Bush Administration for unlawfully ignoring the environmental impact of Mexican trucks, which emit more pollution than American trucks.



“THE COMMITTEE MEMBERS WERE GREAT AT LISTENING TO OUR CONCERNS AND LETTING US PARTICIPATE.”

—LANNIS SHEPHERD, LOCAL 745 MEMBER

at Roadway and member of Local 745 in Dallas, told fellow negotiators about the issues that were important to the members back home. Those issues included maintaining strong health, welfare and pension benefits, a solid pay raise, and limits to subcontracting.

“We have the experience of being on the front lines every day, and we constantly

hear about what’s important to our co-workers,” said Shepherd. “The committee members were great at listening to our concerns and letting us participate.”

“The committee wanted to hear what was important to our co-workers,” said Dan Battles, a steward from Local 41 in Kansas City. “There was a sincere effort to make sure that everyone’s voice was heard. I think that’s reflected in the final outcome.”

Supplemental Victories

While the NMFA contains numerous improvements, it only tells part of the success story. In addition to the NMFA, more than two dozen regional contracts known as supplemental agreements were all ratified.

The committees negotiating the supplements for the Western, Central, Southern and Eastern regions met at the same time and same place—a strategy that paid off.

“By meeting together, unlike in past negotiations, the committees were able to



“WE GOT OFF TO A GOOD START BY NEGOTIATING STRONG SUPPLEMENTS, AND THAT CARRIED OVER TO THE NATIONAL TALKS—IT’S A GREAT VICTORY FOR OUR UNION.”

— WALT LYTLE, TNFINC MEMBER AND
INTERNATIONAL VICE PRESIDENT

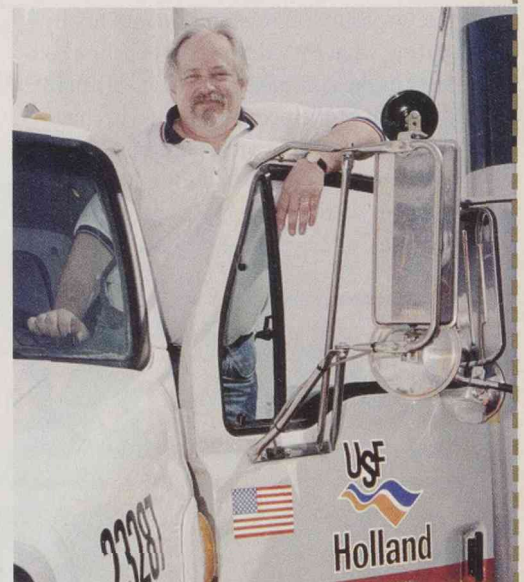
better share information with one another,” said Dan Virtue, Eastern Region Coordinator for the TNFINC. “When the companies tried to get away with something in one committee, members from the other committees were able to help fight that attempt. As a result, we were in a stronger position.”

“The companies couldn’t get away with pulling any fast ones on us,” said Tyson Johnson, Southern Region Coordinator for the TNFINC and an International Vice President. “We were able to stop them in their tracks.”

The supplemental agreements are important because they address issues of concern by region. The Teamsters were

able to win major gains in all four regions after Hoffa set a condition that all of the major issues in the regional supplements needed to be resolved before national negotiations could proceed. Hoffa also stressed that the supplements needed to be settled without any givebacks to the companies.

“The unity within the supplemental committees along with the General President’s leadership really set the tone early on,” said Walt Lytle, a member of TNFINC and International Vice President. “We got off to a good start by negotiating strong supplements, and that carried over to the national talks—it’s a great victory for our union.”



SUPPLEMENTAL AGREEMENT HIGHLIGHTS

The following is a sample list of gains made in some of the supplemental agreements.

- ▶ Increased road bids;
- ▶ Improved seniority rights;
- ▶ Liberalized time off;
- ▶ Tougher protections against subcontracting;
- ▶ Shortened trigger for casuals;
- ▶ Extension of city radius;
- ▶ Improvements for qualifying for holiday pay for laid-off workers;
- ▶ Limiting the number of closeout shifts;
- ▶ Sleeper team mileage premium increases;
- ▶ Improvements in banking sick leave, vacation and holidays;
- ▶ Limits on 10-hour days;
- ▶ Paid time for fuel stops;
- ▶ Pay for road delays—increase in meal allowances;
- ▶ Improvements for being paid for delay time;
- ▶ Improved choice of work within local classifications;
- ▶ A new overtime formula to return laid-off workers to active status in city, clerical and garage positions;
- ▶ Stronger language addressing time off and paid-time issues, as well as qualifying for holidays, banking sick leave and payment for delay time;
- ▶ Superior bidding procedures for road drivers and choice of work within local classifications; and
- ▶ Elimination of company bunkhouses.



AFTER AN EPIC BATTLE with one of city's oldest institutions, steel workers from Local 714 in Chicago showed they are as tough as the metal they work with.

Workers at Ryerson Tull, a steel processor and distributor, endured stalling tactics, court battles and more than 100 contract negotiation sessions, but are finally getting what they deserve—their first contract in the company's 175-year history.

"A lot of the people I work with have never had union representation so all of this is new to them," said John Jeziorski who has worked in maintenance at Ryerson Tull for 13 years. "They realize now



MEN OF STEEL

LOCAL 714 WINS FIRST CONTRACT IN COMPANY'S 175-YEAR HISTORY

that there is a fair playing field because we have a contract and a grievance procedure. Everyone is elated."

Proving Their Mettle

The new three-year contract includes:

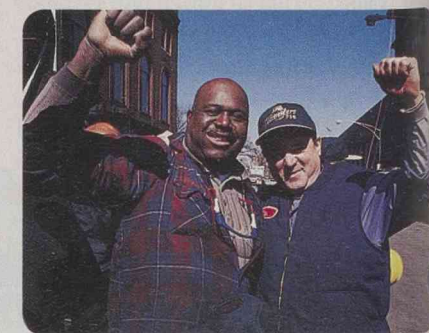
- Wage and pension increases;
- A workable grievance procedure;
- Health and welfare improvements; and
- A voice with dignity.

"It has been a long struggle for these workers but they stuck with it," said Robert Hogan, Secretary-Treasurer of Local 714. "We're proud to finally get these workers the contract they deserve."

The company tried to demoralize workers while negotiations dragged on and wanted the employees to decertify the Teamsters. But the anti-union tactics only strengthened the resolve of the workers, who proved their mettle by ratifying their contract by a four-to-one margin.

Steely Resolve

"We all worked together as a group to make sure we went all the way with this," Jeziorski said. "There were ups and downs and we knew it would be a battle, but we had Joint Council 25 behind us the whole time. When people would get frustrated the locals would



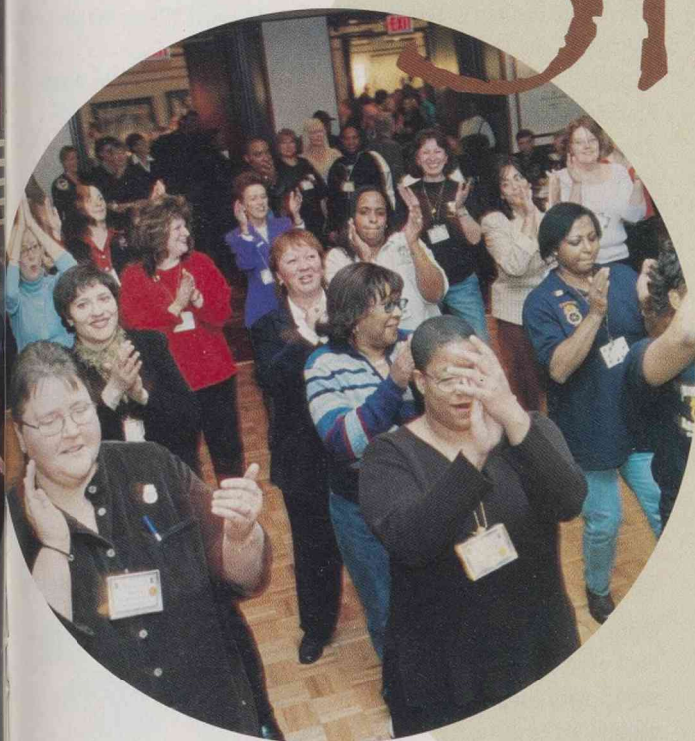
come in and show that we weren't alone."

To organize the group, Local 714 joined forces with the Steelworkers Union and received co-recognition to represent the workers. There are 588 workers in the entire unit and Local 714 represents nearly 350 of them.

"The company tried to wear us down but we only got stronger," said Dan Dilallo, a business agent for Local 714. "Ryerson Tull has a long history here in Chicago and they have been a non-union company for 175 years. This is quite a victory."

Sister, Sister

Gender No Barrier to Teamster Women



"By being part of a union, we get more of the opportunities, recognition and the respect that we work so hard for—especially as Teamsters."

—Joanie Burba, Local 89 shop steward, Louisville, Kentucky



WITHIN THE TEAMSTERS UNION AND THROUGHOUT THE NATION, WOMEN AND PEOPLE FROM DIVERSE BACKGROUNDS ARE MEETING CHALLENGES EVERY DAY AND TAKING ON AN INCREASING ROLE IN WORKING AMERICA.

That spirit and energy was evident during the annual Teamster Women's and Human Rights Conference held in Baltimore, Maryland. More than 550 Teamster sisters and brothers from across the United States and Canada attended the four-day event.

"It is so great being a woman in this day and age," said Joanie Burba, a 16-year Teamster and shop steward from Local 89 in Louisville, Kentucky. "By being part of a union, we get more of the opportunities, recognition and the respect that we work so hard for—especially as Teamsters."



Maxine Simmons
Local 631, Las Vegas

"I was a single mom with an eight-year-old daughter and a house payment. I thought to myself, 'Why not drive a truck and become a Teamster?' Being a Teamster, I have been allowed to make more money than I made previously."

As part of the conference, attendees traveled from Baltimore to the nation's capital to tour the Teamsters International Headquarters, U.S. Capitol, Union Station and the U.S. Botanical Garden, where some of them met with First Lady Laura Bush.

Ever Increasing Role

Contrary to popular wisdom, the increasing role of women in the workplace is not a recent phenomenon. The number of female workers has continued to grow—both in hard numbers and as a proportion

of the workforce—for more than a century.

According to federal government data, the number of working women grew from 5.3 million in 1900 to 18.4 million in 1950, and to 66 million in 2001. They comprised 18.3 percent of the labor force in 1900, 29.6 percent in 1950 and 46.6 percent in 2001.

"Teamster women tend to be leaders and are interested in pursuing leadership roles," said Cheryl L. Johnson, the International Union's Human Rights Commission Director. "I think this was the best conference we've had, really high

Taking The Lead

Teamster magazine recently discussed the changing roles of women in the labor movement with two prominent Teamsters.

Sue Mauren is Secretary-Treasurer of Local 320 in Minneapolis, Minnesota and Central Region Director of the Public Services Division. Colleen Brady is Special Projects Coordinator for Local 25 in Boston, Massachusetts. Last year she was appointed Trustee, the first woman to hold the position in the century-long history of the local.

Teamster: How does the role of women in the workforce differ from that of years past?

Mauren: There was a time when women were forced to quit their jobs when they became pregnant. Women were not allowed to even apply for men's jobs. I believe with each generation, acceptance for women as equals in the workforce has grown. While some stereotypes remain, there certainly are greater opportunities for women in every area of employment than ever before.

Brady: Women have gained more positions of respect and power. There are so many factors that have contributed to this—but unions have certainly provided a major impetus.



energy and great opportunities for networking."

Union Advantage

It will come as no surprise to Teamster women that wages for unionized women are higher than for their non-union sisters—30 percent more in 2001. And union women share in the advantage that all organized workers enjoy: a greater likelihood of receiving health and pension benefits.

After meeting with an organizer following a grueling 17-hour workday,

What are the practical benefits for all members, male and female alike, to have women in positions of union leadership?

Brady: Because I am in a leadership position, there is a comfort level for other women members to step forward and participate in their union. As women become more involved, they participate in more activities, such as contract negotiating and organizing, which help all union members. And unionism is based on the principle of what benefits the collective interest.

Mauren: There were hundreds of activists at the Women's Conference with a common goal of coming together as Teamsters to learn, share ideas and find ways we can work together to build a better union. Our union can only benefit from the energy and enthusiasm that Teamster women have to offer.



Why should male workers care about equal pay for women?

Brady: I'm reminded of the adage, 'A rising tide lifts all boats.'

Mauren: We know as Teamsters that being united in the workplace builds stronger unions and better contracts. Union members know that regardless of gender, we need to stand together and fight for our rights. It is an unbeatable combination when men and women workers stand together and face the employers.

Connie Slayback fought for Teamster representation at Comair. Her absolute refusal to give up was rewarded with an industry-leading contract—one that others look to as an example. When she began her six-year struggle, there were 50 flight attendants at Comair. Today, there are 800.

"Thanks to the Teamsters, we're finally reaping the benefits of the company we worked to build," said Slayback, a member of Local 513 in Florence, Kentucky.

The Great Equalizer

In the United States, 99 out of every 100 women will work for pay at some point in their lives, but unfortunately, women are only paid 75 cents for every dollar men receive. And with women still suffering from wage discrimination, union representation is even more critical.

"At the Teamsters, we realize that no matter what a person's race, religion, gender or sexual orientation, organizing and collective bargaining are the great equalizers for all workers," said Sally



Terry Stewart

Local 237, Brooklyn, New York

"Sometimes I have to fight people. It's not what women do every day. You know, women are supposed to work in places that are protected. Well, I do the protection. I believe this kind of work makes you stronger as a woman."



Brenda Cornwell
Local 480, Nashville

"It used to be that there was no such thing as a woman truck driver. Now we have a lot of them. In the time I've worked, conditions for working women have gotten a lot better.



Payne, Associate Director of the Teamsters Communications Department. "Our future depends on the job we do in building union membership."

The Human Rights Commission and the International plan to make diversity education and training a top priority in the coming years, developing educational materials to be used in diversity training workshops at national, regional, local and trade division meetings.

Embracing Diversity

One of the great strengths of the labor

movement is its inclusiveness. And being at the forefront of civil and human rights movements will always be part of the Teamster agenda. And the Teamsters recognize the right to organize and to bargain collectively as human rights, and unions as the only institutions that give workers a true voice.

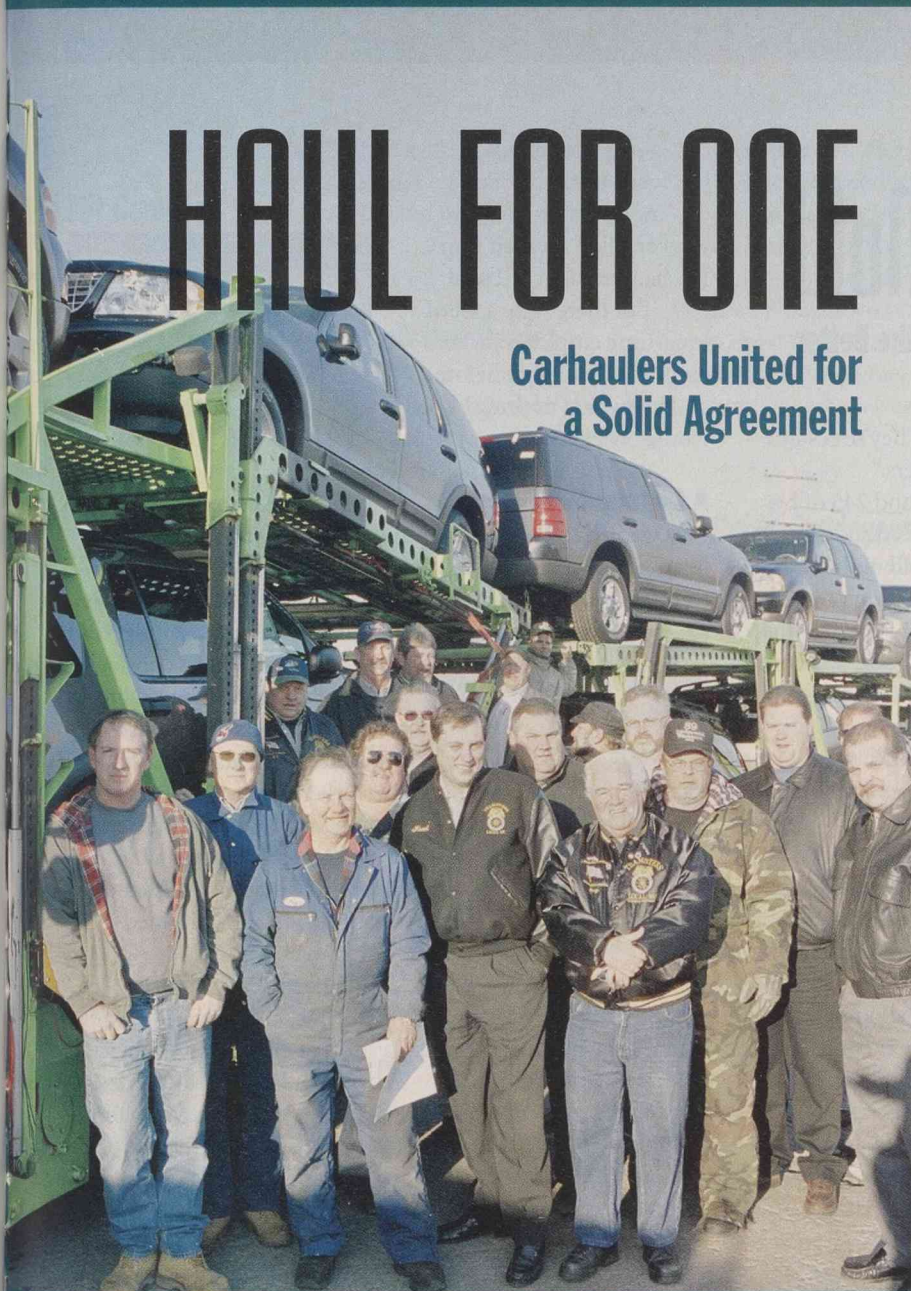
The International and the Human Rights Commission encourage and support members to embrace diversity and will conduct training sessions to encourage the full participation of all

members regardless of race, gender or cultural background. And the International will create a National Diversity Committee to establish specific goals and objectives for achieving the full participation of the union's diverse membership.

"Human rights issues are Teamster issues. That's why these conferences are so important," said Johnson. "We will continue to work with our sisters and brothers to advance the human rights of all our members. That's what the labor movement is all about."

HAUL FOR ONE

Carhaulers United for a Solid Agreement

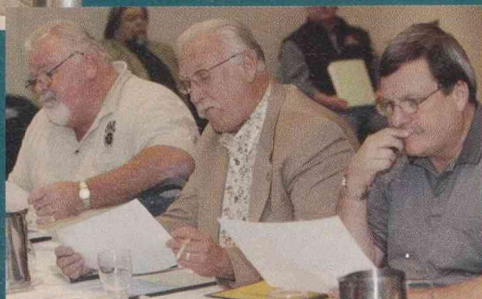


"Nonetheless, we will not accept an agreement that fails to address the needs of our members."

— JIM HOFFA, CHAIRMAN, CARHAUL NEGOTIATING COMMITTEE

INFORMATION AND UPDATES

For up-to-date information on the Carhaul Unity 2003 Campaign visit: www.teamster.org/carhaulunity03.htm or call 866-TEAMSTR



Meeting in Detroit, the hometown of the Big Three automakers, the Teamsters Union formally exchanged with management proposals for the 2003 National Master Automobile Transporters Agreement.

"Much has changed in four years, and we know that industry conditions are different today in carhaul," said Jim Hoffa, Chairman of the Carhaul Negotiating Committee. "Nonetheless, we will not accept an agreement that fails to address the needs of our members."

The Motor City was chosen as the kick-off location to show the manufacturers the importance of these negotiations to Teamster carhaul members and the entire industry.

Transporters Topics

The proposed contract changes were taken from those submitted by locals and rank-and-file members that had been assessed at an earlier meeting of carhaul negotiators. Issues that took prominence were:

- ▶ Seniority;
- ▶ Dispute Resolution;
- ▶ Leave;
- ▶ Health Coverage;
- ▶ Safety;
- ▶ Holidays;
- ▶ Local riders;
- ▶ Discipline; and
- ▶ Sale of rigs to non-Teamster entities.

The Challenges Ahead

The Teamsters Union has mobilized for this spring's contract talks in the face of unprecedented challenges affecting the industry.

"A lot of what used to be Teamster work has been going to non-union operations and owner-operators," said Ted Neely, a Local 223 shop steward who has driven for Allied Systems in Portland, Oregon, for 25 years. "We need a solid contract so we can bring these drivers into the union fold."

"It is important that we maintain the integrity of the contract," agreed C.B. "Doc" Condor, Director of the Carhaul Division and Co-Chairman of the National Negotiating Committee. "I am confident that we will prevail."

Breaking The Mold

Port Huron Workers Make a Change for the Better

The plastic parts that Loretta Tenbrink makes go into cars and trucks that keep America rolling. But when management at Port Huron Molded Products kept breaking its promises to workers, morale at the Michigan company ran out of gas.

"We got tired of rules not being followed," said Tenbrink, who has worked as a press operator for 10 years. "Company policies changed whenever it was convenient for them. Managers would say, 'You do this, or it's out the door.'"

"These workers haven't had a decent raise in wages or insurance for over six years," said Jim Parrinello, a Joint Council 43 organizer that assisted Local 339 in the

campaign. "They're ecstatic to be Teamsters."

Tenbrink and 245 of her fellow workers decided to break the mold of lousy working conditions and no respect on the job when they voted to join Local 339 in Port Huron, Michigan.

Filling a Need

The main issues for the bargaining unit—which includes machine operators, sorters, packagers and shipping and receiving clerks—were safety, seniority and recognition.

"This was about respect, about the way we were being treated," said Tenbrink. "We needed a strong union—we needed the Teamsters."

"The company would say, 'Give us another chance,' and

workers did," recalled Ron Hreha, President of Local 339. "But there were a lot of long-time employees who had been through it before, and knew that nothing would change."

A Constant Presence

"We wanted to get the union involved because we didn't think that management was



going to give us a fair deal," said Brandon Pickelhaupt, a machine operator. "So when I discovered that the Teamsters were getting involved, I supported it."

Local 339, working in conjunction with Joint



Council 43, opened up their union hall for the employees to meet and were a constant presence at the jobsite with informational handbills and flyers. The Teamsters told the workers what they would try to accomplish and their up-front approach paid off, proving that there is no substitute for old-fashioned organizing.

"Local 339 put forth a lot of effort and showed us the kind of commitment they were willing to make," Pickelhaupt said. "They've done a good job since they've been here and they're a cool bunch of guys."

"This was about respect...We needed a strong union—we needed the Teamsters."

— LORETTA TENBRINK, LOCAL 339



LOCAL 618

Able Lift Company

Forklift maintenance/mechanic workers with Able Lift Company voted unanimously for representation by Local 618 in St. Louis.

Gerald Kappauff, an organizer/business agent for Local 618, was pleased that the drive went so well.

"We started the organizing in mid-September, and they were very receptive to what we could do for them," Kappauff said.

"This is keeping with Local 618's goal of organizing the unorganized, and securing good benefits and wages of those in this industry," said Local 618 Secretary-Treasurer John Guerra, Jr.

LOCAL 379

Jet-A-Way

Rubbish haulers at Jet-A-Way in Roxbury, Massachusetts voted recently by a two-to-one margin to join Local 379. Paul Walsh, International Representative for the Building Material and Construction Trade Division (BM&CTD) said the 15 drivers have met with representatives from the local and started reviewing contract proposals.

Walsh, who is also Secretary-Treasurer of Local 379, said there is a standard rubbish contract that is in place at other companies in the greater Boston area, and the workers see that contract language as a starting point for their negotiations.

"Hopefully that contract language will prevail," Walsh said. "These workers were receiving comparable pay rates to union wages before they joined the Teamsters, but they

had a 401K instead of a pension. Our rubbish people have the top pension in the region."

LOCAL 769

McArthur Dairies

By a 2-1 margin, workers at two McArthur Dairy locations voted to join Local 769 in Miami, becoming the second and third unionized dairies in Florida.

"We are on a roll," said Daisy Gonzalez, a Local 769 business representative, referring to her local's victories and that of Local 385, which organized the T.G. Lee Dairy in Central Florida earlier this year.

Before Local 385's successful organizing drive, T.G. Lee, which is the largest dairy in Florida, had been non-union throughout its entire 75-year history.

At McArthur Dairy in West Palm Beach, 26 route sales drivers, swing men and dockworkers voted to join Local 769. On the same day, transport drivers at the dairy's Miami location, also voted to become members of Local 769.

LOCAL 283

Coparts

Twenty-five drivers and dispatchers at the Brownstown, Michigan facility of Coparts, a national auto salvage company, voted 22-3 to join Local 283 in Wyandotte, Michigan.

This was the first successful organizing campaign at Coparts, which has more than 100 other facilities nationwide.

"This will serve as a lead for other organizers across the country," said Dan Dengel, a Joint Council 43 organizer. "It's important that we try and pick up new carhaul members at

these non-union companies."

Local 283 and Joint Council 43 plan on continuing their carhaul organizing with recognition of the yard employees at the Brownstown branch of Coparts as well as a new campaign at Auto One, another national auto salvage company.

LOCAL 856

Public Employees

Twenty police officers in Lindsay, California, the olive capital of the world, voted unanimously to join Local 856 in San Bruno, California.

In addition to the police unit, 56 unit clerks at Marin General Hospital voted by a 3-1 margin to join Local 856. The local already represents some 250 technical and non-technical employees at the hospital, and has done so since 1970.

"We've been very active on the organizing front," said Mike McLaughlin, Local 856 Secretary Treasurer. "Workers are responding to our level of service and representation."

McLaughlin added that Local 856 is working on other campaigns as well, including police officers at San Francisco Community College and the institutional police employed by the City and County of San Francisco.

TEAMSTERS CANADA

TNT Logistics

Contract negotiations have begun between local unions in Canada and TNT Logistics after a recent organizing campaign added more than 250 workers to the locals' ranks.

The drivers work at five centers in Canada and will be represented by Local 931 in

Montreal, Quebec; Local 141 in London, Ontario; Local 362 in Calgary, Alberta; Local 31 in Vancouver, British Columbia; and Local 979 in Winnipeg, Manitoba.

"This is a great move for the Teamsters—Michelin produces tires in Eastern Canada and these new members will transport the tires across Canada," said Robert Bouvier, President of Teamsters Canada. "We will have 250 drivers, but that number could increase to 400 in the future."

The campaign is part of an ongoing effort by the Teamsters Organizing Department to foster a cooperative labor relations approach with TNT Logistics America. As part of this same campaign, the Teamsters also organized a TNT subassembly warehouse in Flint, Michigan under a card-check agreement negotiated by the Organizing Department with TNT management.

LOCAL 631

DynCorp

Base operations workers at DynCorp voted by more than a 7-1 margin to join Local 631 in Las Vegas. The employees work at the Indian Springs and Tonopah locations on the Nevada Test Range.

"These workers like the medical plan and back service credits that we offer," said Ray Isner, Local 631's organizing director who led the campaign with John Milner, a Local 631 organizer. "There are a lot of ex-military people out there who like the idea of a Teamster pension to go along with their military pension."

Local 631 has not lost an election at the Test Site or Test Range in more than two years.

Northwest Stewards Become Effective Advocates for Local 2000

TRAINING

Ann Marie Frace loves seeing Paris and the mountains of Alaska. Darin Lutwin just got back from Osaka, Japan. In the last five years, Amy Gross has seen Beijing, Tokyo, Frankfurt, London, Oslo, Amsterdam and other cities. Alyssa Cedo enjoys exploring smaller cities in the American Midwest.

These workers have also met people from all over the world and bonded with other Local 2000 Northwest flight attendants. They have something else in common, though. Each one of them dedicates a good bit of their own time to making sure that other Northwest Airlines Teamsters are protected on the job.

And to help make sure these union activists are as educated and informed as possible, Local 2000 recently held their first Advanced Line Stewards Training at Teamster Headquarters in Washington, D.C.

"The training was fabulous. It was great learning how all the different departments work together for us," said Frace, of Minnetonka, Minnesota, who has worked as a flight attendant for more than 10 years. "I wanted to take this training because I don't want to see anyone I work with give the company the best years of their life and walk away with nothing. I want to work within the framework of what we have to help my coworkers. I want to be a good liaison between the union and my coworkers."

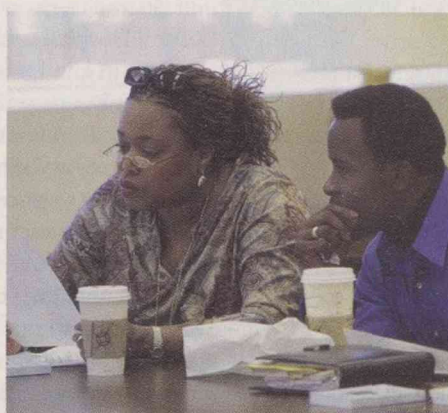
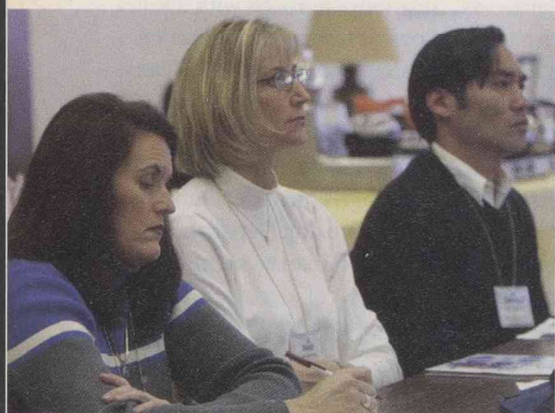
The Local 2000 flight attendants are getting more involved in every aspect of their jobs—everything from preventing accidents to having a say in legislation affecting them.

"I went to the training because I've been trying to find a way to get more involved," said Lutwin, who has worked as a Detroit-based flight attendant for four years.

Assisting the Members

This program follows six representational trainings designed and conducted by the Education Department in Minneapolis, Detroit and Los Angeles. Three Advanced Line Stewards Trainings took place at Teamster Headquarters.

"The addition of line stewards to Local 2000's structure will increase visibility for the local and provide rank-and-file flight attendants with a union advocate on their flights," said Mollie Reiley, Local 2000 Trustee. "Training is the first step in



ING DAY →

equipping line stewards with the background and information they need to be an effective voice for the union."

The stewards went to Capitol Hill to lobby congressional representatives and their staff on issues important to flight attendants, such as flight attendant certification and new proposals to amend the Railway Labor Act that change the way contracts are negotiated with carriers.

"I've taken on more of an interest in the Teamsters organization itself because I want to learn how our members can better utilize the resources that the International has to offer us," said Gross, of Minneapolis, who has worked as a flight attendant for five years. "I was at the training to learn our contract better so I can assist members out on the line. The training was great but the highlight for me was touring Capitol Hill and meeting with legislative staff."

Teamster Leadership Academy

The Advanced Line Stewards Training isn't the only way Local 2000 is assisting their members.

Two base representatives from Local 2000 also attended a recent Teamster Leadership Academy to learn about what it takes to investigate and resolve issues impacting their flight attendant members.

"I attended to learn how to win arbitrations and it was very informative," said Cedo, a base representative for Local 2000 in Detroit. "We expect a rough road in airlines in the years to come and it's important that we equip our representatives with everything they need to be effective advocates for their members."

Cedo attended the Teamster Leadership Academy with Maureen McGovern, a Local 2000 base representative from Seattle.

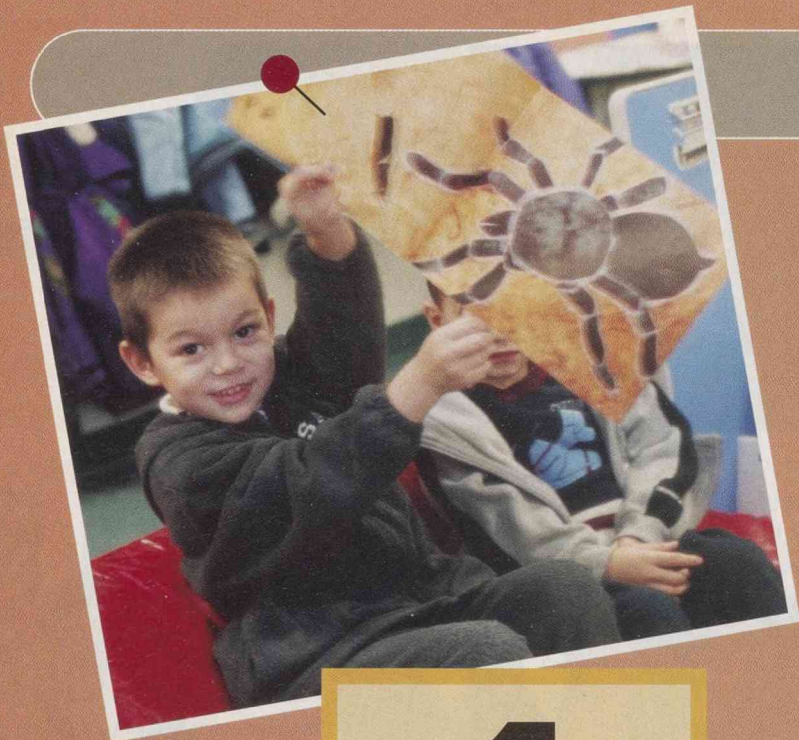


"Our contract is complicated because we have so many work rules and safety issues...It's becoming more important every day that we have the Teamsters protecting us"

— AMY GROSS, LOCAL 2000

"Our line of work may seem easy from a passenger perspective but it's not. Our contract is complicated because we have so many work rules and safety issues. Programs like this are important so everyone can have a better understanding of the contract," Gross said. "It's becoming more important every day that we have the Teamsters protecting us."





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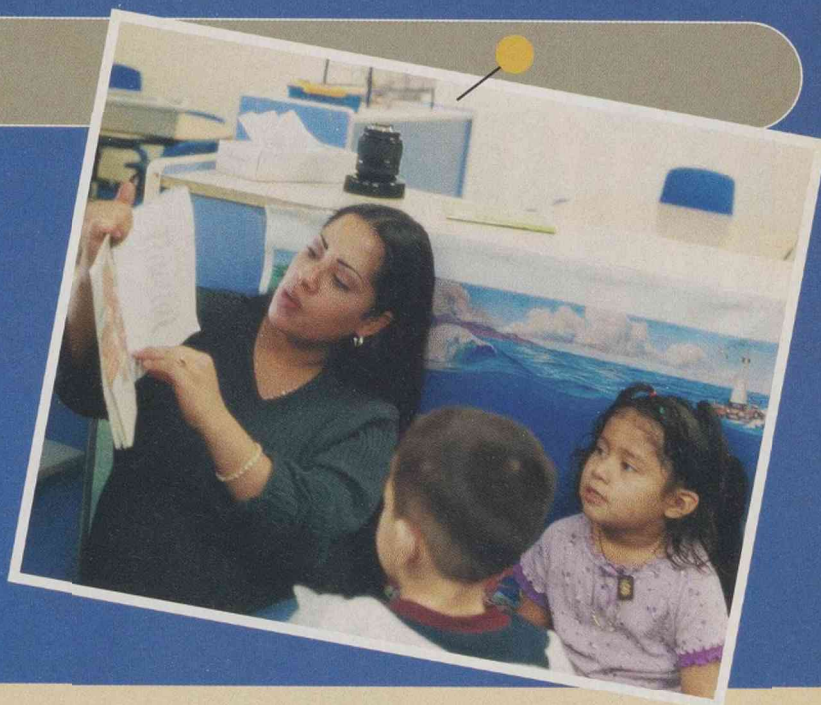
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KIDS

Strike at
Head Start in
Washington
State Ends
in Victory

"The children also won—they get back in the classroom with the most experienced, most qualified teachers."

— BOB HAWKS, SECRETARY-TREASURER LOCAL 839



For Local 839's Jenny Diaz, the 17-week strike against Head Start was grueling—but well worth it.

"It was a sisterhood," said Diaz, a 10-year lead teacher/family advocate at the Benton Franklin Head Start in Washington's Tri-Cities. "It was like getting together with your neighbors for a big block party—in the extreme cold."

The unity was strong among the 48 striking teachers, aides and support employees—who had earlier been fired by Head Start. The strike ended earlier this year when the employees reclaimed their jobs after Head Start offered them reinstatement with full back pay and benefits, and an unconditional return to work.

"It was like winning a very long race, like winning a marathon," said Diaz, who served as the strike coordinator.

Children Win Too

In the end, it wasn't just the employees who won by getting a strong contract. Head Start serves the developmental needs of preschool children (birth through age five) and their low-income families.

"The children also won," said Bob Hawks, Secretary-Treasurer of Local 839 in Pasco, Washington. "They get back in the classroom with the most experienced, most qualified teachers."

Diaz and another lead teacher/family advocate, Jennifer WhiteCrane, agree. The turnover rate for Head Start teachers is relatively high. Settling the strike and getting a good contract will help to retain experienced staff.

"It's going to keep the teachers here, which is huge. To retain quality teachers that know what they're doing is very important," WhiteCrane said.

Teachers/family advocates spend half their time with kids on lessons, activities and special training, such as teaching them how to brush their teeth properly. Other time is spent working with families, including five home visits per year.

A Boost From The Courts

The striking workers got a boost late last year when the National Labor Relations Board in Seattle told the employer that it would seek a court injunction to require reinstatement of the workers it fired; to begin bargaining in good faith with Local 839; and to withdraw all of its negative unilateral changes in working conditions.

If Head Start took those steps, the NLRB noted that it would then sit down with them to discuss unfair labor practice charges filed by the local. Local 839 charged that Head Start illegally declared an impasse after only three meetings with the union and illegally implemented a last, best and final contract offer.

Then, two days before a hearing was scheduled on the charges, the company reinstated the workers.

Local 839 will be seeking more than \$400,000 in back wages and benefits to cover the strike, and Hawks is optimistic Head Start will pay the full amount owed to the workers.

It's Unanimous

There was more good news when the workers unanimously ratified a three-year contract.

Among other things, the contract:

- Strengthens workers' rights on picket lines;
- Allows past practices to continue, and requires that past practices cannot be changed without the employer bargaining with the union;
- Allows workers to voluntarily contribute to DRIVE;
- Increases amount of vacation/personal time that's accrued and banked; and
- Allows for time sharing—if a co-worker becomes disabled, employees may donate personal time to that co-worker.

"I think we accomplished a lot, especially compared to our first contract," Diaz said.

"We had members, other unions and friends out walking the picket line with us," Hawks said. "The community support was outstanding during the strike."

Disaster Relief Fund Helps Guam Typhoon Victims

DAMAGE CONTROL



ims
During what some describe as the worst typhoon to ever hit Guam, Steve Martinez was in the hallway of his home watching the window frames bend in from the force of the wind.

"I've lived in Guam for 20 years and it was the strongest storm I've ever been through. Every home and business in Guam was affected by it," said Martinez, a shop steward from Local 986 who lives and works on the island. "I sat in the hall-

way in the dark for three hours. The wind was extremely loud—it sounded like a big, rumbling train right outside my house."

The typhoon couldn't be measured accurately—it was so strong it knocked out every instrument on the island used to record the strength of the wind. Cars were overturned and power lines snapped like twigs. One hundred percent of the island was without power for almost three weeks.

Supertyphoon Pongsona

The typhoon that hit Guam, a U.S. territory in the Pacific about 4,000 miles southwest of Hawaii, was described by many as the worst natural disaster ever to strike the island. The eye of the storm passed directly over Guam, an island with an area of only 225 square miles (compared with Rhode Island at 1,212 square miles). The Guam Pacific Daily News reported damages in excess of \$73 million.

"The problem with the storm wasn't even so much the storm itself as the aftermath," said Larry Horst, a Local 986 member who works in satellite operations and maintenance at the Air Force base in Guam. "During the storm, fuel tanks at the port caught on fire. All the utilities were out. There was no gasoline available for cars or generators."

The storm, named Supertyphoon Pongsona, left the island without electricity, water or phone service for weeks. It destroyed many homes and was declared a federal disaster area the day it hit, paving the way for assistance to residents.

The typhoon may have destroyed homes and left the island without power, but it didn't take representation away from Teamster workers and many of them have been helped because of it. Fortunately, the Teamsters Disaster Relief Fund was there to help members affected by the typhoon.

Relief Fund Is There

"After the storm, the Teamsters Disaster Relief Fund was there for any Teamster in need and we'll continue to help out when tragedy strikes our members, whether it's ice storms and flooding in Kentucky, tornadoes in Oklahoma or typhoons in Guam," said Cheryl Johnson, Director of the Teamster Human Rights Commission.

The Teamsters Disaster Relief fund is a charity that was created in 1991 to assist Teamster members who have suffered a loss from a disaster long after the media has forgotten. The fund receives donations from local unions and members.

"I urge all the Teamster affiliates and members to consider making a donation to the Teamsters Disaster Relief Fund to assist our brothers and sisters in Guam," Johnson said.



How To Help

If you would like to donate to the Teamsters Disaster Relief Fund, tax-deductible contributions can be made by check payable to "Disaster Relief Fund". Please send contributions to:

Disaster Relief Fund
c/o International Brotherhood of Teamsters
25 Louisiana Avenue NW
Washington, DC 20001

Step Into The Arena



Toronto Strike Leads to Three-Year Contract



For one long week, members of Local 847 in Toronto, Canada marched in the wind and snow. But the more than 1,000 part-time workers at the Air Canada Centre who walked off the job and into the bitter cold returned to work with a warm feeling—thanks to a new three-year agreement.

At issue in the strike were wages and benefits. Gilbert Davis, Secretary-Treasurer of Local 847, said the union had been negotiating with arena management for months, and at the last minute, the company presented what he called an unacceptably low offer on wage increases. But when the buzzer sounded on the strike, the new contract included substantial raises, more workers on the benefit plan and a crucial agreement where workers can keep tips given to them by arena patrons. Before the contract was ratified, workers were required to put tips in a till that went to management.

No Justice, No Beer

The arena—home to the Toronto Maple



Leafs hockey team and Toronto Raptors basketball team—hired 300 scabs to run the center's concessions and other services during the strike, but they were not able to keep the facility running at anywhere near its usual level.

"We blocked the ramps and made sure no deliveries could get in," said Ed Kazakeviciuf, chief steward at the arena. "They were out of beer and running low on food."

"It was an empowering experience," said Tara Stratton, a bartender and 10-year Local 847 member. "We realized just how vital we really are, which you sometimes forget."

Stratton, who is a shop steward at the arena, said she thought the strikers got what they wanted from the effort, but more importantly, were able to bring the workers together in solidarity.

"We made a statement, gelled our people together and educated ourselves," she said. "We went from 300 to more than 1000 people in a three-year span of time, so it's amazing that we were able to

educate that many people."

A Big Win

At the strike's helm was Joelle Spadacini, Local 847's Vice President and business agent for the workers, with whom she has worked for nearly 10 years.

"Joelle did a great job mobilizing our union into action, and also getting the support of other unions in this area through the Ontario Labour Council," Davis said. "She's a motivating force and was out there 20 hours a day."

And Spadacini said she's pleased with the results of her members' efforts.

"It was a tough strike and a huge protest," Spadacini said. "The people are happy to be back to work—there's no doubt about it. And the company is definitely taking this personally. It was definitely a win for us."

International Support

As part of the effort to support the strikers, Local 847 put out a call to other Teamster locals for support when teams

from Toronto visited their cities. Local 500 in Philadelphia answered the call by planning an informational picket and a Teamster caravan of members in cars parading around the perimeter of their local arena, blowing horns and letting the public know that their Teamster brothers and sisters in Toronto were getting a raw deal.

"That scared the hell out of [the Philadelphia arena owners]," Davis said. "They called our management and put pressure on them to settle the strike. They didn't want to be involved in this labor problem."

Davis said he also talked to several other locals that pledged their support.

"This was the first time in my knowledge, in 43 years as a Teamster here in Canada, that I have seen this kind of cooperation—the brotherly and fraternal cooperation—of American Teamsters with the Canadians up here," Davis said. "The Americans stepped up for us, as evidenced by Local 500. It was really a gratifying thing for us and our members."

REPORT 72 TO ALL MEMBERS OF THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS

FROM: Independent Review Board
Benjamin R. Civiletti
Joseph E. diGenova
William H. Webster

DATED: March 17, 2003

I. INTRODUCTION

This is the Independent Review Board's ("IRB") Seventy-second Report to you on its activities conducted pursuant to the Consent Order. In this Report, we will discuss matters that have currently come before us, including two new Investigative Reports and the current status of pending charges about which we have previously informed you.

II. NEW INVESTIGATIVE REPORTS

A. LOCAL 522 - Jamaica, New York

On January 27, 2003, the IRB issued an Investigative Report to General President Hoffa recommending that Local 522 be placed in trusteeship. The Report alleges that the Local is not being conducted for the benefit of its members. Between January 1996 and October 2002, Local 522 received a total of at least \$1,478,849 directly and indirectly in improper payments from the Local's five affiliated Benefit Funds.

In January 1996, a third party administrator was retained to administer each of the five Benefit Funds. After that time, the Local received \$1,291,548 directly in payments from the Funds for alleged administrative services. During this same time, the Benefit Funds paid directly to the third party administrator approximately \$1,541,935 for complete administrative services. There were no records showing that the Local employees performed administrative services for the Benefit Funds.

In addition to the direct payments from the Benefit Funds to the Local, the Benefit Funds also improperly paid a portion of the Local's rent, telephone expenses and building expenses, thereby reducing the Local's expenses. From February 1996 through January 2002 these payments totaled \$187,301.

Furthermore, there was no written cost sharing agreement between the Local and the Benefit Funds describing any administrative services Local employees performed. Despite receiving at least two communications from the IBT headquarters cautioning that cost sharing agreements with Benefit Funds must be well documented, the Local continued to receive the alleged administrative ser-

vices payments without any time records to support the payments. In 1987, prior to the Benefit Funds retaining the third party administrator, the United States Department of Labor found that the Trustees of the Local 522 Pension Fund had breached their fiduciary duties and violated ERISA provisions by improperly reimbursing the Local for administrative services. To resolve the matter, Local 522 agreed to repay the Benefit Funds \$279,000.

Lastly, as further evidence that the payments from the Benefit Funds were improper, in July 2002 when the IRB sought to question Michael Ianniello, then the Local's principal officer and a Trustee of each of the five Benefit Funds, about these payments, without explanation he failed to appear for his sworn examination. He allegedly knew that as a result of not cooperating with the IRB he would be barred from the IBT. He had previously appeared for two IRB sworn examinations. Based upon IRB-recommended charges, on September 30, 2002, Mr. Ianniello was permanently barred from the IBT.

On March 6, 2003, Mr. Hoffa notified the IRB that he appointed Daniel J. Kane, Sr., as Temporary Trustee over the affairs of Local 522, effective March 10, 2003.

B. ROBERT MOORE, ROBERT DELOATCH AND ALBERT OLIN - Local 522, Jamaica, New York

On March 11, 2003, the IRB issued an Investigative Report to General President Hoffa concerning Robert Moore, Robert DeLoatch and Albert Olin, who were the Trustees of the Local 522 Benefit Funds. The Report recommended that each be charged with bringing reproach upon the IBT and violating his duties as a fiduciary of the IBT-affiliated Benefit Funds by allowing the Local 522 affiliated Benefit Funds to pay large, unsupported administrative and other expenses to the Local. By their actions each caused the Benefit Funds to pay unreasonable administrative expenses to Local 522 which were not necessary for the establishment or operation of the Benefit Funds. In addition, each caused the Benefit Funds to pay unreasonable rent expenses, building expenses and telephone expenses on behalf of Local 522. These expenses also were not necessary for the establishment or operation of the Benefit Funds.

As fiduciaries of the Benefit Funds, Trustees Moore, DeLoatch and Olin were required to ensure that the Benefit Funds paid only reasonable administrative and other expenses. Nevertheless, the Trustees did not know how the payments from the Benefit Funds to the Local were calculated; however, they did know that an outside contractor administered each of the Benefit Funds.

On March 12, 2003, the IBT notified the IRB that it would file and process the charges.

III. STATUS OF PREVIOUS IRB CHARGES

A. ANTHONY RUMORE - Joint Council 16, New York City

We have previously informed you that Joint Council 16 President Anthony Rumore allegedly brought reproach upon the IBT by failing to investigate whether Barry Feinstein, the former President of Local 237 and Joint Council 16, was a prohibited person. Mr. Feinstein was a prohibited person who pursuant to an agreement permanently resigned from the IBT to settle charges he embezzled approximately \$391,246 from Local 237.

Charges were filed against Mr. Rumore and a hearing was held by a hearing panel appointed by Mr. Keegel. On December 13, 2002, the General Executive Board found Mr. Rumore guilty of the charge and ordered that he serve a two-month suspension from all IBT-affiliated union officer or employee positions and provide a letter to all officers of Joint Council 16 and the principal officers of all constituent locals that corrects mistaken information provided in a prior legal opinion letter.

In response to Mr. Rumore's January 7, 2003 letter, the IRB notified him that if he wished he could appeal the December 13, 2002 decision. On January 23, 2003, Mr. Rumore submitted a letter to the IRB asking that the sanction imposed upon him be reduced. On March 13, 2003, the IRB notified General Secretary-Treasurer Keegel that the decision and the suspension are not inadequate. However, the IRB recommended that Mr. Rumore be required to reimburse Joint Council 16 for the cost of the legal opinion obtained in an attempt to support him personally.

B. WAYNE TRAGNI - Local 813, Long Island City, New York

In past issues of the *Teamster* magazine we informed you that Local 813 member Wayne Tragni allegedly brought reproach upon the IBT by failing to appear for his scheduled sworn in-person examination. Before the charge was filed and a hearing date was set by Local 813, Mr. Tragni requested and was granted a rescheduling of his examination, which was held on October 28, 2002.

On January 7, 2003, Local 813 President Needham notified the IRB that a panel would hold a hearing on the charge against Mr. Tragni. On February 13, 2003, a hearing was held. The panel found Mr. Tragni guilty as charged and notified the IRB that Mr. Tragni was suspended from the IBT for one month. The IRB has the matter under review.

C. LOCAL 901 - San Juan, Puerto Rico

In past issues of the *Teamster* magazine we informed you that over a number of years Local 901 allegedly engaged in a pattern of conduct in violation of the IBT Constitution and which prevented the members from obtaining information and exercising their rights. The

Local allegedly made unauthorized and questionable expenditures of Local funds, had inadequate financial controls, and has never operated under approved Bylaws. Further, the Local's Executive Board allegedly engaged in a pattern of approving expenditures for Board members' benefit which Local members did not approve as required in the absence of effective Bylaws.

The IBT conducted meetings in IBT headquarters in Washington, D.C., with the officers of Local 901, discussed the changes that must be made to the Bylaws and the procedures for their approval by the membership, planned monitoring activities at Local 901 headquarters, and determined that the initial action would be supervision of the upcoming election. Mr. Szymanski informed the IRB that newly elected officers are in place, former FBI Agent Angelo Class was investigating various issues identified in our report and the Bylaws for the Local are in the final stages of revision.

IV. TOLL-FREE HOTLINE

Since our last report to you, the hotline has received approximately 95 calls reporting alleged improprieties. As in the past, all calls which appeared to fall within IRB jurisdiction were referred for investigation. Activities which should be reported for investigation include, but are not limited to, association with organized crime, corruption, racketeering, embezzlement, extortion, assault, or failure to investigate any of these.

Please continue to use the toll-free hotline to report improprieties which fall within IRB jurisdiction by calling 1-800-CALL-IRB (1-800-225-5472). If you are calling from within Washington, D.C., dial 434-8085. The IRB facsimile number is 202-434-8084.

V. CONCLUSION

As always, our task is to insure that the goals of the Consent Order are fulfilled. In doing so, it is our desire to keep the IBT membership fully informed about our activities. If you have any information concerning allegations of wrongdoing or corruption, you may call the toll-free hotline noted above or you may write to either the IRB Chief Investigator or the IRB office:

Charles M. Carberry, Chief Investigator
17 Battery Place, Suite 331
New York, NY 10004

Independent Review Board
444 North Capitol Street, NW
Suite 528
Washington, DC 20001

PART TWO IN A SERIES

National Master Freight Agreement of 1964

Contract Delivers On Middle Class Dream

JANUARY 15, 1964 BECAME A MONUMENTAL DAY IN TEAMSTERS HISTORY WHEN THE FIRST NATIONAL MASTER FREIGHT AGREEMENT WAS SIGNED IN CHICAGO. THIS CONTRACT WOULD PROVIDE SOLID, STANDARDIZED PROTECTION AND BENEFITS TO MORE THAN 450,000 OVER THE ROAD AND LOCAL CARTAGE DRIVERS ACROSS THE COUNTRY.



The contract, which was described as an impossible task by critics and friends of labor alike, was a milestone for labor unions everywhere. James R. Hoffa, architect, chief negotiator, and overall firestorm of energy behind the agreement, considered this the crowning achievement of his tenure with the Teamsters.

Dream Becomes Reality

The NMFA of 1964 brought more workers into the middle class than any other single event in labor history. Hoffa was determined to improve the standard of living for workers, and increase respect for "non-craft" laborers such as over-the-road drivers.

The agreement was the first step in a larger dream to nationalize union contracts. And it revolutionized the way in which goods of all types were moved across the country. Over-the-road and cartage drivers, empowered through economic gains, stability, and a strong Teamster union, became a force in America's political landscape. Political leaders began to realize the concerns and interests of this group must be recognized,

as they could easily mobilize into a formidable voting block as never imagined before.

Path for the Future

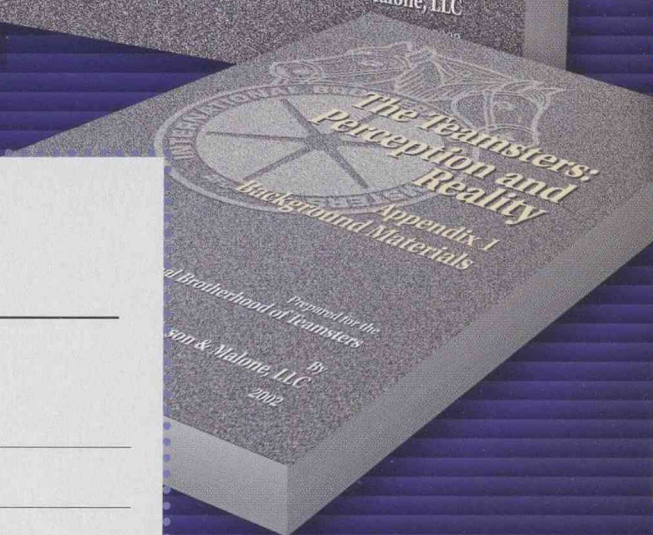
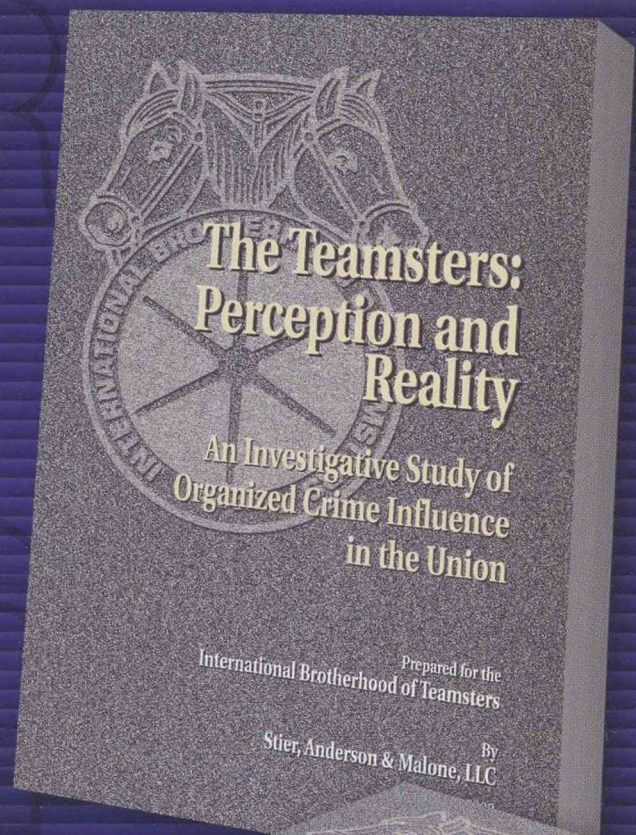
Hoffa believed the only way for workers to maintain standards they had achieved, and for unions to survive would be through master contracts throughout all the trade divisions of the Teamsters. Just as employers are organized on a national level, so must labor consolidate its power—and that was the breakthrough in the NMFA of 1964. The agreement gave the Teamsters power equal and even beyond that of the big trucking companies. In the changing world of economics and trade, this blueprint remains the course all unions must take in order to ensure their hard earned legacy does not diminish or fade away in the future.

The NMFA of 1964 brought more workers into the middle class than any other single event in labor history

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The Teamsters: Perception and Reality

An Investigative Study of Organized Crime Influence in the Union



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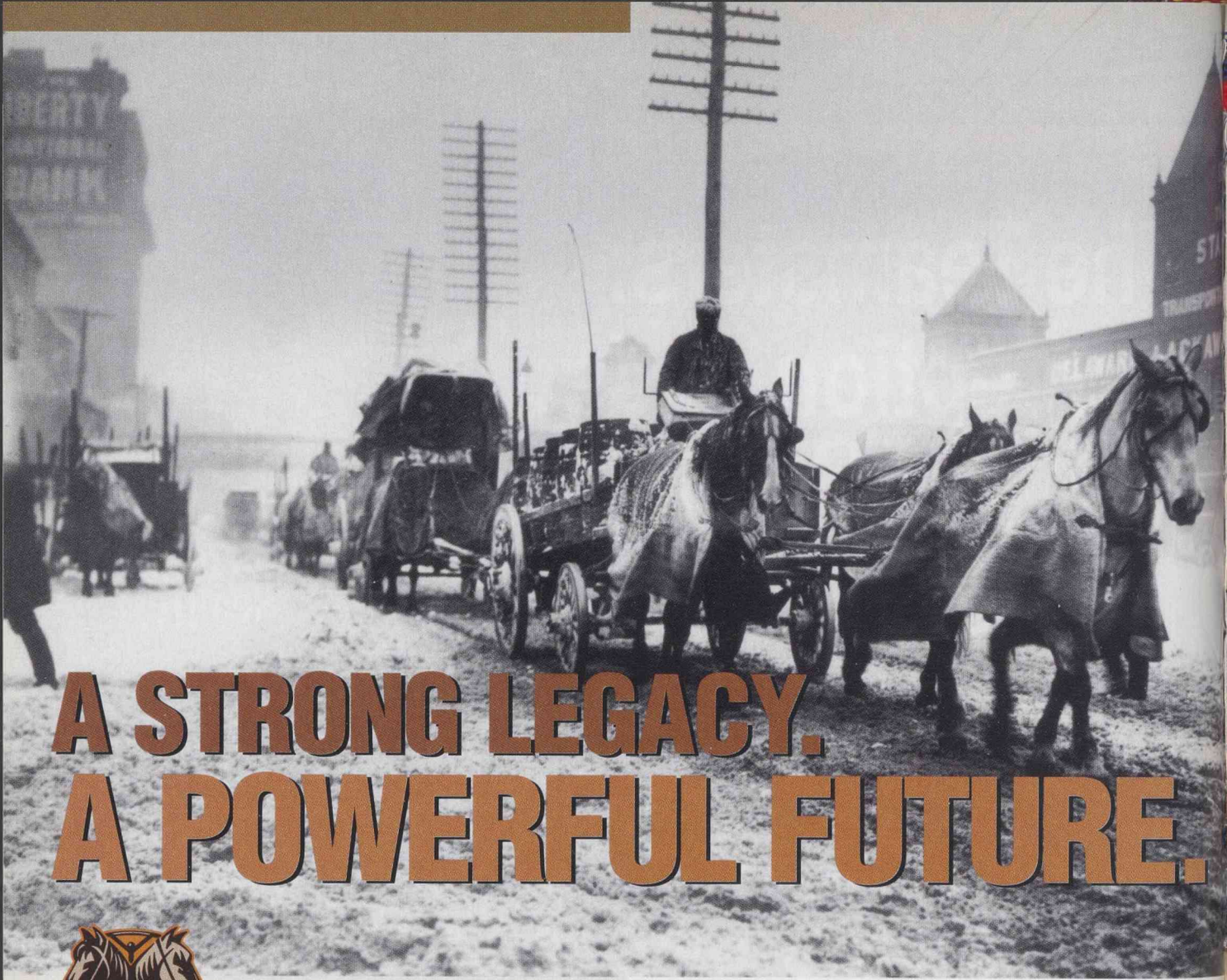
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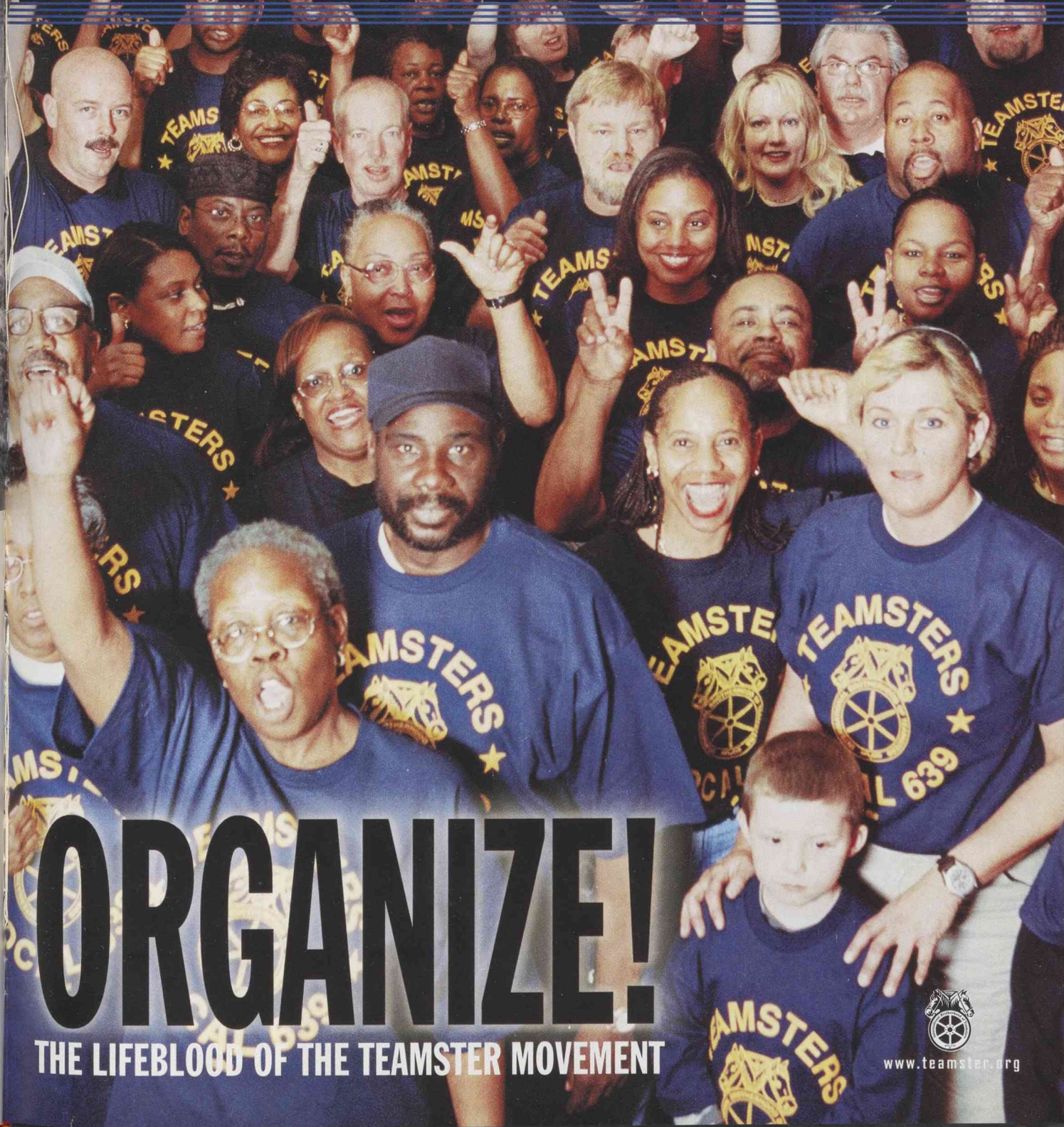
And make plans to participate in the various rank-and-file activities to be held in Washington, D.C.

Watch for details in your local newsletter and Teamster magazine. Also visit www.teamster.org

INTERNATIONAL BROTHERHOOD OF TEAMSTERS

JULY/AUGUST 2003

TEAMSTER



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THE LIFEBLOOD OF THE TEAMSTER MOVEMENT



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TEAMSTER

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A MESSAGE FROM THE GENERAL PRESIDENT

Growing The Union

Organizing is truly the lifeblood of the Teamster movement. New members keep our union healthy and strong. And because there is strength in numbers, the most important thing we can do as Teamsters is to organize the unorganized and grow our great union.

The Teamsters Union, like all of American labor, continues to battle the downturn in the economy.

Unfair trade agreements and anti-worker legislation have robbed Americans of jobs and contributed to the steady decline in union membership over the past thirty years. That is why we must focus all of our energy on organizing new members.

When we have a high percentage of workers in an industry—we get good contracts like our freight and carhaul agreements and our contract at UPS. The equation is a simple one—more members equal stronger contracts. And we have to make sure our union is strong enough to fight the battles of the future.

A New Day

This year's Unity Conference marked a new day in our union's history, a new day when organizing is at the very top of our agenda. Our new national organizing program will serve as the foundation for rebuilding our membership. We must have coordination throughout every level of the union to take on global, national, and regional employers. We must leverage all of our resources to be successful.

Last year, the Teamsters Union held its first-ever Special Convention to put the union's finances in order after a decade-long financial decline. In addition to

establishing a permanent Strike Fund, we created a dedicated Organizing Fund. With our financial house in order, we now have the resources to spread Teamster representation throughout North America.

And we are already seeing the fruit of our renewed commitment to grow the union with victories at Bulkmatic, BFI, the Osceola, Florida School District and Coach USA bus lines. But these victories are only the beginning of a new era in the Teamster's proud history.

Rank-And-File Advantage

The most valuable organizing tool the Teamsters have is also its most valuable resource—its rank-and-file members. Take the time to share your experience as a Teamster with someone without representation. Tell them about the difference a union contract has made in your family's life. And tell them about the respect and dignity that come with being a member of the strongest union in North America.

Corporations focus on profits. Teamsters focus on members. Teamster Power must grow as the workforce grows and we cannot be successful if we don't organize the unorganized. Only by organizing new members can we continue to win strong contracts. And only with every member on board to make our commitment to organizing a success can we be assured of as bright a future as America's working families deserve.

James P. Hoffa

Labor's Gift To Detroit

Sculpture Honors Union's Past, Present, Future

Labor has always played a prominent role in Detroit, and now workers are putting the finishing touches on a sculpture that will serve as an inspiring place for people to reflect on labor's past, present and future.

The piece, which is called, "Transcending," is a very public and positive reminder of labor's influence and strength.

Labor groups conceived of the project four years ago, and it has since evolved into a 63-foot structure in downtown Detroit. The monument is an arch that has gear-shaped pieces on one side while a blue light emanates between the two sides of the arch through an opening at the top. A series of marble blocks mined from Vermont surround and swing away from the arch, and will feature images from the labor

movement—nurses, truck drivers, auto workers, mine workers and others—carved into them.

A Symbol Of Labor's Contribution

"This monument will really serve as a symbol of what labor means in Detroit," said Larry Brennan, President of Joint Council 43. "We're proud to be part of a project that will be such a permanent piece of the Detroit cityscape, just as labor is such a permanent and strong contributor to the economy of the region."

The Michigan Labor Legacy Project funded the monument, and it is a gift to Detroit for its 300th anniversary, which took place in 2001. William H. Black, Legislative and Community Affairs Direc-



tor at Joint Council 43, sat on the design committee. He said the committee went through many entries before selecting the final design. The sculpture and surrounding area is a joint effort by artists David Barr and Sergio DeGiusti.

"This project has energized

the labor community," said Shawn Ellis, Community Services and Communications Director for the Metropolitan Detroit AFL-CIO and a member of Local 372. "It gives folks a sense of being a part of the labor movement's history, and a part of the future as well."

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Getting Ready To Rumble

Boxers Look To Affiliate With Teamsters

The Joint Association of Boxers (JAB)—the first union of professional fighters—has asked the Teamsters to affiliate their group.

“Every other sport is organized, now boxers will be organized,” said Jim Hoffa, Teamsters General President during a news conference in May.

“Boxers need health insurance. Boxers need pensions. Boxers need to get a fair share of the proceeds of their labor. The Teamsters are committed to turning their dream of economic and health security into a reality.”

“It’s an important day in professional boxing history. JAB has already won the support of current fighters ranging from Shannon Briggs and Danny Romero to former fighters like Joe Frazier,” said Eddie Mustafa Muhammad, a former light-heavyweight

champion, trainer of five world champions and the founder of JAB. “JAB’s goal will be to negotiate an industry-wide collective bargaining agreement with boxing promoters that will give boxers the dignity, security, and protection they need and deserve—both inside the ring and out.”

Hoffa has met with Senator John McCain (R-AZ) who supports the effort to organize and protect boxers. He is supportive of the effort because it will also help clean up the sport of boxing and restore its image.

“The Greatest” Weighs In

“This is the best thing for the boxers and the sport of boxing,” Muhammad added. “It will help to stabilize and regulate the sport and give it the foundation for growth in



which all parties will benefit.” Muhammad says that JAB sought the support of the Teamsters because “it is the biggest, the strongest, the cleanest, and most visible labor union in America today.”

“Mr. Hoffa has showed us a level of understanding and compassion about the plight of boxers, and in our industry that is rare,” Muhammad said.

Muhammad Ali sent a letter of support that was read at the press conference announcing the affiliation. Ali said, “I believe that a box-

ers union would greatly improve the conditions in which boxers often find themselves. Additionally, I believe a union could enforce provisions of the Ali Act and assist boxers in securing uniform standards in bout, management and promotional agreements.”

The Ali Act protects boxers from the exploitation of promoters, establishes integrity reforms for sanctioning organizations, and requires public interest disclosures to state boxing commissions.

A Bad Deal At The Worst Possible Time

NAFTA Was Bad-FTAA Will Be Worse

NAFTA has hurt American working families. It has robbed Americans of jobs. It has weakened environmental protections. And it has encouraged and rewarded the exploitation of workers here and abroad.

Now, the same people who brought us NAFTA want to spread its “benefits” to 31 more countries. “Benefits” like more profits for them and fewer jobs for working Americans. Our economy is struggling. We need economic

growth and that means we need to create more jobs here at home and stop exporting them abroad.

NAFTA has already cost 2.3 million manufacturing jobs in the U.S. The FTAA will gut our manufacturing industries even further. And just like NAFTA, the FTAA will degrade our environment, ignore human rights and make our food and roads less safe.

Denial of Labor Rights

“Free trade is just another excuse to force workers in the United

States to compete against poverty stricken workers in the third world,” said Jim Hoffa, Teamsters General President. “The ultimate goal is to maximize corporate profits, ignore the environment and deny labor rights in the name of the dollar.”

FTAA negotiators are currently trying to add provisions that will give corporations the right to challenge and even ignore existing American laws.

Our nation’s independence

is expressed in our ability to democratically make laws and regulations. Why should corporations doing business in America be allowed to ignore laws that the American people have enacted?

Help stop this Bad Deal-The FTAA! Complete the ballot insert enclosed in this magazine and mail it back to us. The Teamsters are committed to fighting the FTAA—and by working together—we can stop it.

The Airborne Question

Union Leaders Fight to Protect Workers

The Teamsters' Freight and Airline Divisions have coordinated efforts to protect driver, dockworker and clerk jobs at Airborne Express—which is being purchased by DHL—and protect pilot jobs at ABX Air which is expected to become an independent public company.

Leaders from 41 Teamster locals that represent Airborne Express workers met in Chicago to learn more about DHL's planned \$1.05 billion buyout of Airborne's ground-delivery operations. The deal is expected to close this fall if it is approved by Airborne shareholders and the federal government.

At the meeting, union leaders laid the groundwork for communication between the International and the Airborne

locals. Meetings have been held in recent weeks to make sure everyone is kept up-to-date on the proposed buyout.

"We have made sure the various locals are aware of the latest developments," said Phil Young, Freight Division Director and International Vice President who has been appointed by General President Jim Hoffa to negotiate a new contract with Airborne and oversee the proposed DHL buyout on behalf of the Teamsters.

In June, Teamster leaders representing UPS and Airborne workers met with European union leaders representing UPS and DHL workers. The weeklong meeting was held to share information concerning labor law, working conditions and collective bargaining relationships.

More Than 9,000 Members

The Teamsters represent more than 9,000 Airborne workers. This number includes about 800 pilots employed by ABX Air and represented by Local 1224 in Wilmington, Ohio. Approximately 8,000 drivers, dockworkers and clerical workers are covered under the NMFA and white paper contracts with Airborne Express.

As part of the acquisition, it is expected that Airborne's air operations (ABX Air) would become an independent public company that would continue to be wholly owned by Airborne's current shareholders.

German-owned DHL is prevented from acquiring all of Airborne Express because of laws that prohibit foreign control or ownership of more than 25 percent of any U.S. airline. To comply with the ownership restriction, DHL uses a separate company, DHL Airways, to fly its parcels. DHL has a 25 percent stake in DHL Airways.



"We have made sure the various locals are aware of the latest developments."

— PHIL YOUNG, FREIGHT DIVISION DIRECTOR AND INTERNATIONAL VICE PRESIDENT

Louis' Law

John Acompora Keeps Son's Legacy Alive By Saving Lives

Longtime Teamster John Acompora has turned the tragedy of his 14-year-old son's death into a crusade to save the lives of countless children and adults.

Louis Acompora, a goaltender on the Northport, New York freshman lacrosse team, died March 25, 2000 after being struck in the chest by a lacrosse ball during a game. He died as a result of commotio cordis, a rare disruption of the heart's electrical system caused by a blow to the chest.

Since their son's death, Acompora and his wife, Karen, have set up a foundation (in which no one receives a salary), raised hundreds of thousands of dollars, prepared information kits for school districts and pushed to have automated external defibrillators (AEDs) available in all New York State schools. The couple says that Louis might still be alive if an AED was available at his school.

For victims of sudden cardiac arrest (SCA), the time from collapse to defibrillation is the single greatest determinant of survival. Survival from SCA declines by about 7 to 10 percent each minute without defibrillation.

Lucky Seven

In May 2002, New York Governor George Pataki signed "Louis' Law," which requires every school in the state to have a defibrillator. Many poorer school districts cannot afford the devices, so the group recently raised

\$300,000 to help buy the AEDs.

"We've placed more than 130 defibrillators in needy schools," said Acompora, a member of Local 202 who works for E. Armata Produce at the Hunts Point Produce Market in the Bronx.

As a result of the Acomporas' campaign, seven lives have been saved-so far. The group has set up a website (www.la12.org) with detailed information about the importance of defibrillators. The Acomporas urge interested Teamsters to visit the website.

"This isn't about us," Acompora said. "This is my son's doing and the hundreds of people who have helped us."



"We've placed more than 130 defibrillators in needy schools."

— LOUIS ACOMPORA

Live Long And Prosper

Medical Advisory Committee Keeps Members Healthy

From helping to improve working conditions to alerting members to watch their weight, the Teamsters Medical Advisory Committee gives advice to Teamster leaders who in turn pass it on to the membership.

The Committee recently held

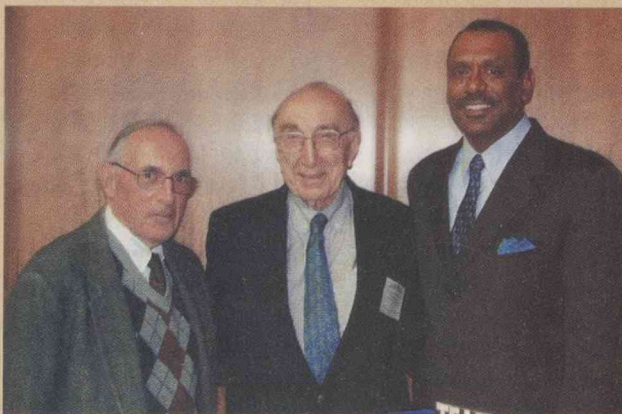
its annual meeting at the International and provided expert opinions on health care issues affecting 1.4 million Teamsters and hundreds of thousands of retirees.

Protecting Retirement Years

One longtime committee mem-

ber is Dr. Michael DeBakey, an internationally recognized and respected physician and surgeon. DeBakey, who is in his mid 90s, is credited with inventing and perfecting scores of medical devices, surgical techniques and treatment procedures which have led to healthy hearts and productive lives for millions throughout the world.

"The Teamsters Union works hard to protect the retirements of its members. The members themselves can protect their golden years by watching their weight, by not smoking and by leading a healthy lifestyle," said DeBakey. "I urge all members to make the right choices so they can enjoy their hard-fought retirement security."



A Powerful Endorsement

2004 Presidential Candidates Look To Teamsters



Democratic hopefuls for the 2004 presidential nomination are aggressively courting Teamsters in the early primary states of Iowa and New Hampshire.

"All of this attention that is showered upon our members in the early primary states really attests to the power of the Teamsters' endorsement," said Mike Mathis, Teamsters Government Affairs Director. "Candidates know that if we choose to bestow our endorsement upon them, we've got more than 1.7 million voters, volunteers and activists ready to help. As close as the 2000 presidential election was, that makes a real difference."

The candidates who have contacted Dave Baker, the Iowa Conference of Teamsters President, read like a who's who of Democratic candidates. Senator John Edwards (D-NC), Senator

John Kerry (D-MA), former Governor Howard Dean (D-VT) and U.S. Representative Dick Gephardt (D-MO) have all met with Iowa Teamsters. Other Democratic contenders including Reverend Al Sharpton, former U.S. Senator and Ambassador to New Zealand Carol Mosely-Braun (D-IL), Senator and former Vice-Presidential candidate Joe Lieberman (D-CT) and U.S. Representative Dennis Kucinich (D-OH) are expected to meet with Teamsters in the coming months.

Issues That Matter

"Each candidate has things about them that our members find attractive," said Baker. "But in the end it's going to boil down to where these candidates stand on the issues that matter to working families. Trade is a big issue. Unfair trade deals

"All of this attention that is showered upon our members in the early primary states really attests to the power of the Teamsters' endorsement."

— MIKE MATHIS, TEAMSTERS
GOVERNMENT AFFAIRS
DIRECTOR

have cost American jobs and some of these candidates have supported that. It will be interesting to see them explain their positions on trade."

The Teamsters' endorsement process depends on membership participation. Showing a pragmatism that is rare in the labor movement, Teamster members have endorsed presidential candidates from both the Republican and Democratic parties.

"In 2000, we worked hard to take the pulse of our union," Mathis added. "In addition to polling and direct talks with local leaders, our members had the opportunity to make their choice known through a mail-in ballot that was in the Teamster magazine. The endorsement of Vice-President Al Gore was the result of that process. The 2004 election will be no different."

Cherokee's Boy

Teamster's Horse Runs in Preakness

In the early years of the Teamsters, horses played a dominant role. Today, for a Teamster and a former Teamster in Baltimore, horses have a whole new meaning.

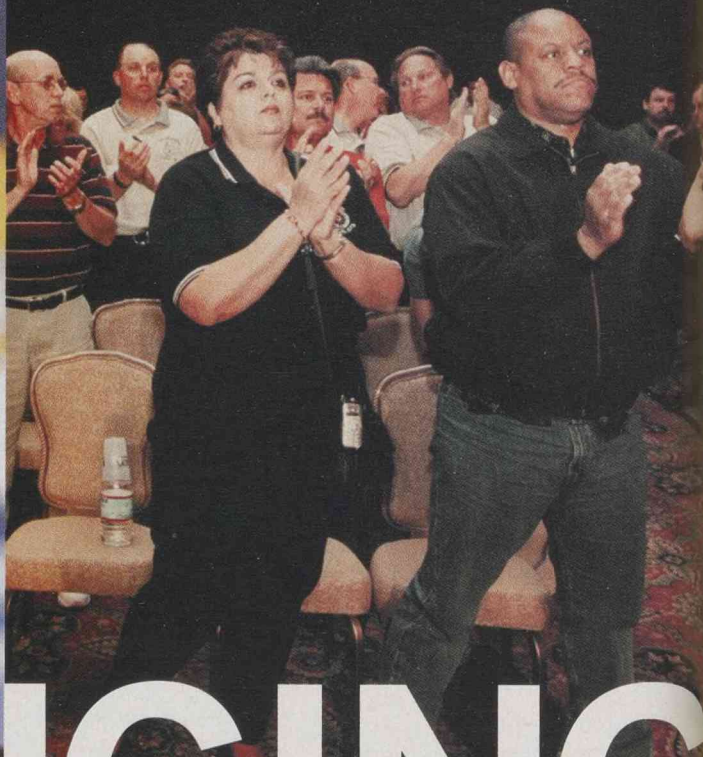
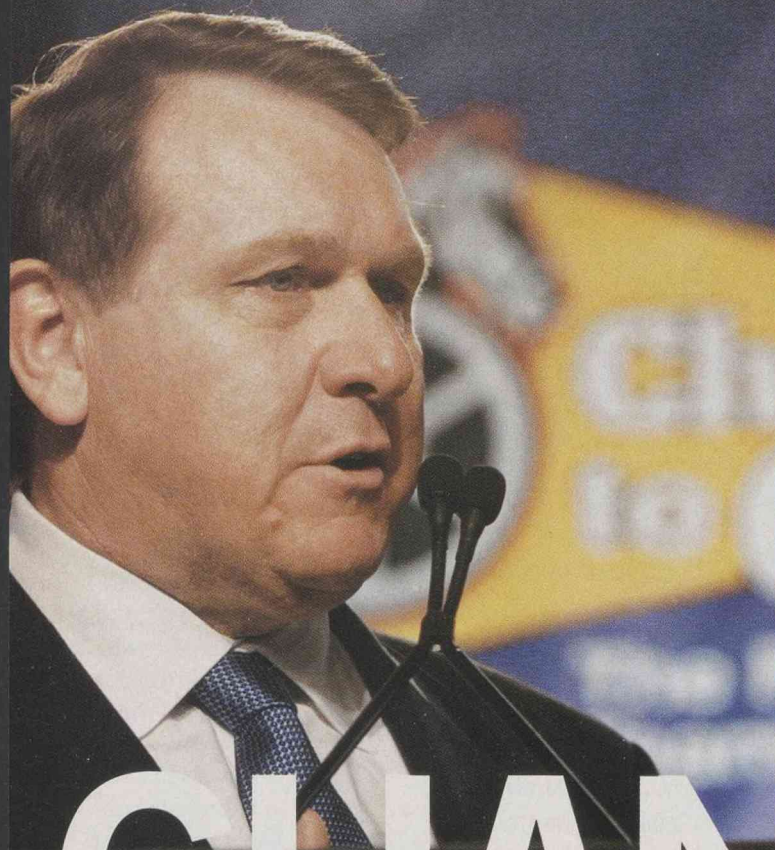
In 1992, Foard Wilgis and Dave Picarello finished second in a handicapping contest at a racetrack in Delaware. Instead of blowing their money, they used it to buy a filly racehorse for \$5,500 they would name, "Cherokee's Wonder."

"We strictly bought that horse for the fun of it," said Wilgis, a Teamster member since 1966 who belongs to Local 355 in Baltimore.

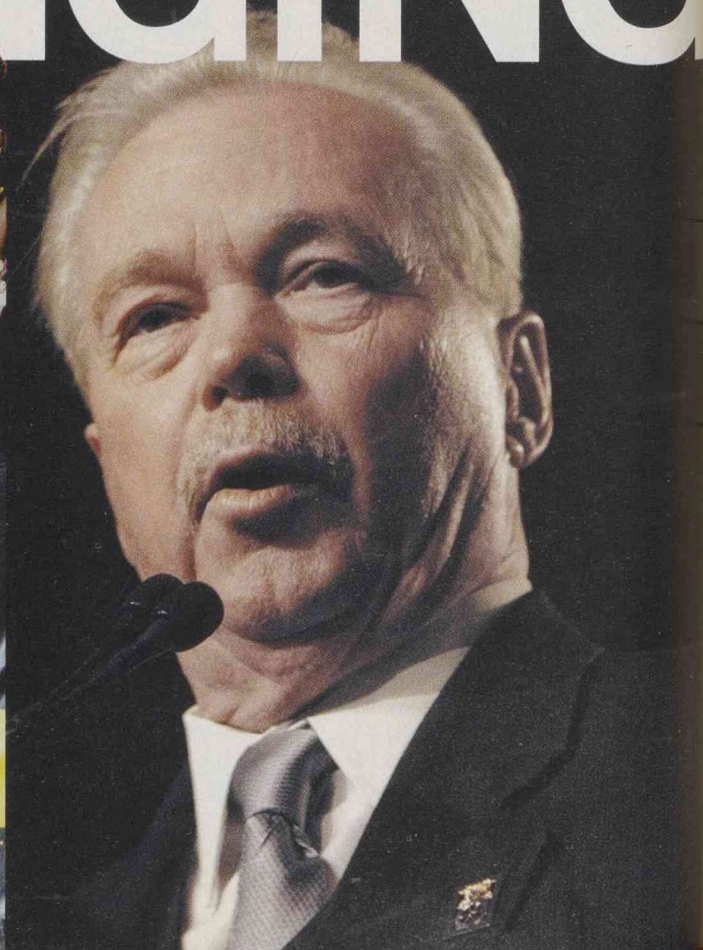
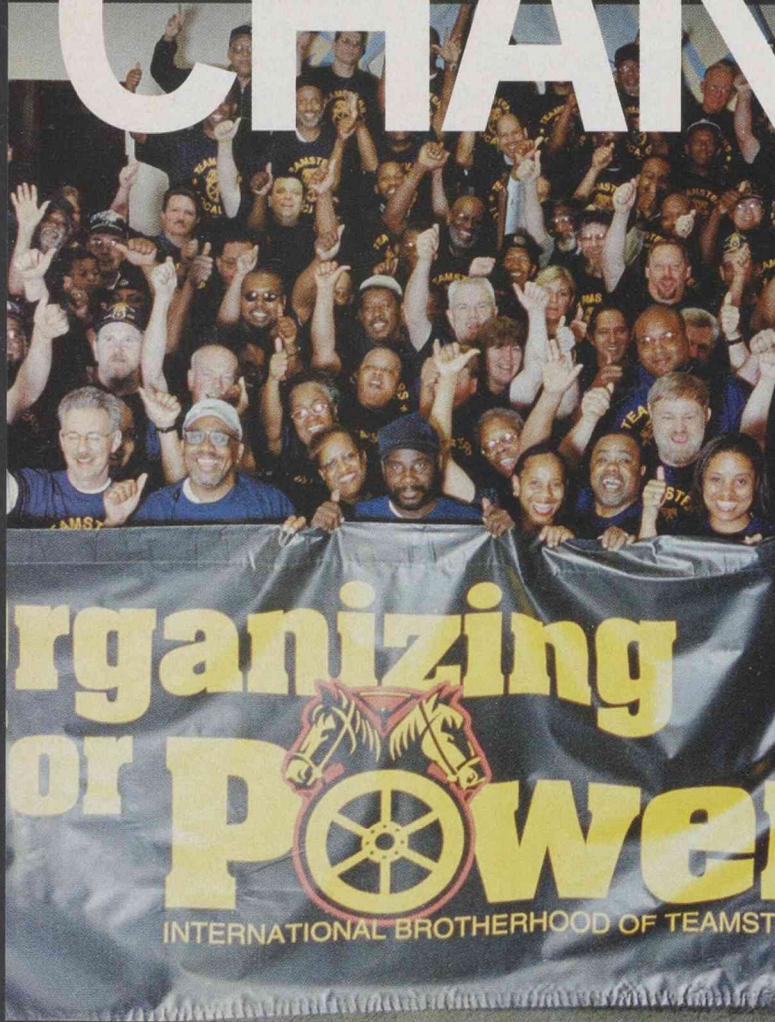
Wilgis thought Cherokee's Wonder would be the only horse he would ever own. But something happened—the filly changed his life. Cherokee's Wonder won eight of 51 starts, including a couple of stakes victories, and earned nearly \$300,000. Instead of stopping there, the team reinvested and now owns 10 horses.

"This is 10 times bigger





CHANGING



Everyone knows that throughout the labor movement, union membership rolls are declining. But while some unions may be content to service existing contracts, the Teamsters are adapting to today's challenges with a turbocharged commitment to organizing.

In May, the Teamsters initiated a new era in its history with its first-ever conference devoted to recruiting new members. More than 1,400 union leaders and activists from the United States, Canada and Puerto Rico joined Teamsters General President Jim Hoffa, General Secretary-Treasurer Tom Keegel, and the Teamsters General Executive Board at the conference titled, "Changing to Grow: The Future of the Teamsters Union".

"The Teamsters must focus all of our energy on organizing," said Hoffa. "When we have a high percentage of workers in an

industry—we get good contracts. The equation is simple—more members equals better contracts."

Building On Strengths

The Organizing Department's strategy to build the union is based on using Teamster strengths to build Teamster Power. The three goals of the Organizing Department are:

- To strategically organize in the Teamster's core industries;
- To organize on a large scale in member-rich industries; and
- To increase the union's capacity to organize.

The early planning stages of the Organizing Department's campaign are centered around:

- UPS, where they will partner with local unions to implement ongoing internal programs;

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— JIM HOFFA, TEAMSTERS GENERAL
PRESIDENT

TO GROW

Teamsters Make Organizing Priority Number One

- Carhaul, to protect a core Teamster industry;
- Waste, to win national card-check agreements with major employers;
- Tankhaul, to build organizing capacity in the trucking industry;
- Freight, to identify potential targets and build on NMFA success;
- Warehouse, where research is being conducted to determine the union's presence in food distribution;
- Beverage, to adopt a strategic plan for Coke and Pepsi merchandisers;
- Parking, to assess a national market-based organizing strategy; and
- Food Processing, to formulate strategies directed at industry targets.

Belief in Evolution

The Organizing Department's new strategic initiatives represent an evolution

begun with the comprehensive commitment to organizing mandated by the 2002 Special Convention. The Convention approved reforms to the union's dues structure with the explicit objective of making organizing the Teamsters' top priority. The International, Joint Councils and local unions are committed to spending more than \$60 million per year to organize the unorganized.

Today, significant changes are taking place throughout the International to ensure sustained membership growth and strength. And members everywhere are mobilizing to build Teamster power.

In recent months, the Teamsters have achieved several major victories that attest to the hunger by local unions to organize the unorganized and to improve coordination with the International and other Teamster bodies.

Wasting Management

Sanitation workers at BFI Inc. in Huntington, West Virginia, didn't used to trash-talk their employer. But after Allied Waste bought the company four years ago, morale went into the dumpster.

During the past three years, BFI raised the cost of employee health insurance by 36 percent, while wages increased only three



percent. Last July, the company instituted a 12-step "zero tolerance" policy that unreasonably punished drivers for minor infractions and endangered workers' jobs.

"We were tired of getting the short end of the stick," said John Moore, who has worked at BFI for more than 20 years.

Fed up, Moore and 10 of his co-workers approached Local 505 in Huntington, West Virginia to inquire about Teamster representation for more than 110 drivers, mechanics and heavy equipment operators at five BFI locations in Ohio, Kentucky and West Virginia.

"We had been through enough and were ready for a change," said Ray Watson, a three-year BFI driver. "There was no payment for downtime and we didn't have respect at work. If you had a problem, managers would say, 'We're looking into it,' and that was the end of that."

After weeks of strategic planning by Local 505, an overwhelming majority of workers signed cards in favor of the organizing drive, and more than 80 percent of them signed an open petition to the employer demanding union representation. The International helped muster aggressive rank-and-file and community involvement at the facilities. The unified effort resulted in workers at the five BFI facilities voting 90-15 in favor of the Teamsters.

"We wanted the union bad," Watson said. "It comes to a point where you've got to draw a line and say, 'Something's got to be done.'"

Teamster magazine recently talked with Organizing Director Jeff Farmer about the challenges facing unions today and his vision for the future of the Teamsters.

Question: Why is organizing so important to the membership of the Teamsters Union?

Answer: A strong union equals strong contracts. Size matters. If Teamsters represent a large segment of the workforce in a company, an industry or a region, we have real

Q&A: Jeff Farmer Organizing Director

power to raise wages and benefits for our membership, so it is the smart and necessary thing to do. But it is also the right thing to do. Non-union workers get stomped on every day because they have no rights, no respect and no contract.

We always hear about how the unionized share of America's workforce keeps shrinking. How did we get into this mess? It is more than a mess, it is a real question of the future survival of unions in the United States. Fifty years ago, the labor movement represented more than 1 in 3 American workers. Today, barely 1 in 10 workers is a union member.

Much of the crisis we face results directly from policies of our government. Some examples: The deregulation of the trucking industry threw tens of thousands of Teamster drivers out of work. So-called free trade agreements like NAFTA

that allowed and encouraged corporations to move traditionally union manufacturing jobs abroad to take advantage of cheap labor. And unfair U.S. labor laws have stacked the deck against workers who try to organize.

What is the Organizing Department doing to help the International achieve its organizing objectives?

We must protect and expand our member-

ship in Teamster core industries, such as warehousing and trucking.

We must target other industries where we can substantially build on our strength to win large numbers. The solid waste industry is a perfect example. We have a base of 25,000 Teamster members—the jobs can't be moved to Mexico. We can use our political clout for leverage in organizing the industry and there are upwards of 100,000 non-union workers who need the protection, pay and power of a Teamster contract.

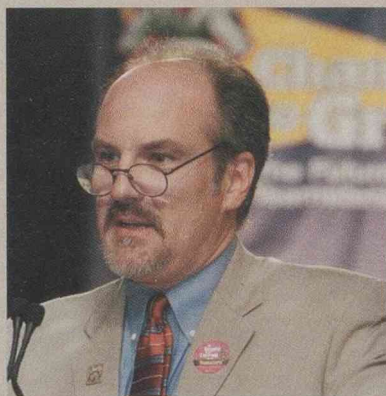
Our department is working closely with our industrial divisions to identify targets, plan strategic campaigns using smart tactics and train hundreds of organizers across the country that can help get the job done.

How do the other International departments fit into these strategic initiatives? Growing our union is the job of the whole union. We are working closely with other departments to use their expertise to help us develop winning strategies. General President Hoffa summed it up perfectly, "Teamsters Work Best When We Work Together."

Same thing goes for the Joint Councils. As a former Director of Organizing for Joint Council 32 in Minnesota, I see our Joint Councils as one of the major engines of growth for our union. They can coordinate campaigns, enlist volunteers, train organizers, resolve jurisdictional issues and identify organizing targets.

What are some of the ways that members can get more involved in the union's organizing efforts?

More than any other union in the country, Teamsters are proud of their union. Our members are our best organizers because they can speak direct-



ly to non-union workers about how the Teamsters have delivered for them and their families. We need our members to become part of a volunteer army in campaigns. They can help us identify companies to organize and talk up the Teamsters wherever they go. For our new organizing effort, it is going to have to be all hands on deck.

A STRONG UNION EQUALS STRONG CONTRACTS. SIZE MATTERS. IF TEAMSTERS REPRESENT A LARGE SEGMENT OF THE WORKFORCE IN A COMPANY, AN INDUSTRY OR A REGION, WE HAVE REAL POWER TO RAISE WAGES AND BENEFITS FOR OUR MEMBERSHIP, SO IT IS THE SMART AND NECESSARY THING TO DO.

—JEFF FARMER, ORGANIZING DIRECTOR



What Can Teamsters Do for Brown?

Organizing energy is especially high at United Parcel Service, where the Teamsters have targeted part-time workers at the union's single largest employer.

With lightning speed, Local 104 organizers in Phoenix signed up 160 workers in two weeks. And in the right-to-work South, Locals 79 in Tampa, 512 in Jacksonville and 728 in Atlanta gained hundreds of new members, including 200 in Ft. Myers and 300 over a three-day weekend in Atlanta.

"I tell prospective members, 'Full-time insurance for part-time work,'" said Gerry Stack, a UPS shop steward in Tampa.

"How do you think you got that?"

A hot dog wagon emblazoned with Local 79's logo is the tool of choice for Randy Pines, State Coordinator for the Georgia-Florida Conference and an organizer at Local 79. "When we give out a hot dog, we ask, 'You're in the union, aren't you?' If they're not, we ask them to sign a card."

Armed with a seniority list, Pines and his colleagues know who to target.

The effort isn't limited to UPS. Pines described Conference meetings where each participant would pick a craft to target. "All of the locals are putting forth the time and resources necessary to do the job," he said.

Tanks a Lot

When 50 tankhaul drivers at the Belpre, Ohio location of Bulkmatic Transport Company voted for Teamster representation, they became part of a broader tankhaul campaign that stretches across the United States.

"It took a year and a day to get to vote, but it was worth the wait," said Steve Barnes, a trainman with Bulkmatic. "Now we are united and ready to get a contract."

"Bulkmatic just isn't fair in the way they treat us," added fellow worker Jim Wright. "We worked hard to stay united for over a year. Now that we are united, everyone will be treated the same."

The Bulkmatic campaign, aimed at a company with 52 terminals in 17 states, has brought in Teamsters from Chicago; Cleveland and Euclid, Ohio; and Winston-Salem, North Carolina.

"These workers know that joining the Teamsters is the best way to make their jobs better," said Mike Clark, Eastern Region Organizing Coordinator.



Days of Wonder

Trying to organize more than 100 workers stationed at 31 different locations is certainly challenging. But the job became easier after sales clerks at Wonder Bread thrift stores throughout the greater Chicago area compared their wages with the competition working under a Teamster contract.

"After finding out how much the thrift store clerks at Entenmann's were making, I knew the Teamsters were for me," said Robyn Heard, a clerk in Northwest Chicago.

Drivers and shipping clerks for the Wonder Bread stores already belonged to Local 734, making the union message more familiar and personal.

"I wasn't sure about unions until I talked to the drivers," said Rose Winblad, a sales clerk. "That's when we decided we needed a union for job security and respect on the job."

Scott Kunz, a Local 734 organizer, welcomed help he received from Joint Council 25, and praised the International's stronger commitment to adding members.

"Organizing is a top priority for us," Kunz said. "Anything we can do, we do."

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Organizing Department Leadership Team: (L to R) Mike Clark, Eastern Region Coordinator; Rebecca Hanscom, Central Region Coordinator; Michael Murphy, Assistant Director and Special Counsel; Jeff Farmer, Director; Iain Gold, Strategic Coordinator; Manny Valenzuela, Western Region Coordinator. Not pictured: Celia Petty, Deputy Director for Field Operations

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ARE MOBILIZING TO BUILD
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Positive Public Relations

By being visible at all levels of government, the Teamsters wield additional leverage that can be invaluable in organizing campaigns, especially among public service workers.

Recently, more than 170 city bus drivers, secretaries, administrative personnel and parks and recreation staff in Cranston, Rhode Island, voted 158-14 to join Local 251, a win attributed to Teamster political power.

"We're very active at Local 251 in trying to organize," said Steve Labrie, a business agent and legislative director at the Providence, Rhode Island local. "We all take part in it."

"Affiliating with the Teamsters affords our members a very strong position in negotiating with the city administration in addition to gaining valuable benefits like access to the New England Teamsters Pension Fund," said Joe Capirchio, a shop steward and public works foreman who led the previous employee association.

"These victories are just the tip of the iceberg," said Jeff Farmer, Director of Organizing for the International Union. "We will not rest while there are working families that don't have their wages and benefits guaranteed by a Teamster contract."

**"AFFILIATING WITH THE
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— JOE CAPIRCHIO, LOCAL 251

TNT is Dynamite

The lengthy process of representation elections supervised by the National Labor Relations Board gives employers an opportunity to bring in professional union-busters that try to stall or derail organizing campaigns. That's why the Organizing Department has sought to foster a cooperative labor relations approach with TNT Logistics America.

This tactic has paid off handsomely in Canada, where more than 250 drivers transporting Michelin tires are now represented by Local 931 in Montreal, Quebec; Local 141 in London, Ontario; Local 362 in Calgary, Alberta; Local 31 in Vancouver, British Columbia; and Local 979 in Winnipeg, Manitoba. Their ranks could eventually go to 400.

Now the approach is being applied at a TNT facility in Temperance, Michigan, near Toledo, Ohio.

"The Local 337 people have been doing a real good job," said David Zimmerman, a TNT worker active in the campaign. "We're all trying to get a good health and pension plan in there."

If successful, the effort will mirror the campaign at a TNT subassembly warehouse in Flint, Michigan, where the Teamsters organized under a card-check agreement.

"We've got the support and the resources of the International behind us," said Don Wooten, an International organizer active at TNT. "That allows us to put enormous emphasis on the campaign."



TENTATIVE CARHAUL CONTRACT REACHED

Agreement Protects Jobs and Benefits

As *Teamster* magazine went to press, the Teamsters National Automobile Transporters Negotiating Committee—armed with a 97 percent strike authorization vote—reached a tentative agreement with union auto transporters. The contract provides enhanced job security, wage increases and maintains strong health care and pension benefits for Teamster workers in the carhaul industry.

“With strong support from our carhaul members, the union was able to protect those areas deemed untouchable: healthcare without worker co-pays, preserving our pension plans and improving job security,” said Jim Hoffa, Teamsters General President and Chairman of the National Negotiating Committee. “This contract achieved those goals while also obtaining wage improvements and a strong cost-of-living agreement.”

The Power Of Unity

Thanks to the hard work of the

National Negotiating Committee, carhaul Teamsters reached the tentative agreement on a single national master contract. Allied Automotive Group, the single largest employer, pulled out of the employers’ association last year and bargained separately but signed on to the master agreement at the eleventh hour once it was clear that the union would not agree to a separate contract for Allied before the deadline. Following a two-man review of the agreement, Teamster carhaulers will vote to ratify the pact.

“Our committee knew that we could not have our members under two different contracts,” said Doc Conder, Carhaul Division Director and Co-Chair of the National Negotiating Committee. “From day one, we let both the employers association and Allied know that we would end up with one single contract. Thanks to the power of Teamster unity, we were able to achieve that.”



THE TENTATIVE CONTRACT INCLUDES

- ▶ Maintenance of strong health benefits including the largest health and pension increases ever in carhaul of \$3.10 per hour (.60, .60, .60, .60, .70) compared to \$2.45 per hour in the 1999 agreement;
- ▶ Wage increases of \$1.30 per hour over the life of the contract;
- ▶ A real COLA of \$.01 per hour for every .1 increase in the CPI above 3 percent. The same language in the 1999 agreement increased workers wages by \$0.11 per hour in 2001;
- ▶ Strong language protecting Teamster work from encroachment caused by cross-border trucking;
- ▶ Job security enhancements, including the ability of members to follow their work when a contracted carrier is replaced;
- ▶ Increased jury duty days from 10 to 15 per year;
- ▶ Health and welfare contributions for members on military leave extended from 12 to 18 months;
- ▶ Increased rates for tool allowances, skid drops and flat, zone, shuttle, incentive, loading and unloading rates;
- ▶ Protection of the enhanced early retirement and prescription drug benefit for retirees that was won in 1999;
- ▶ Bold, innovative provisions directed at restoring the jobs of members who are out of work and eliminating non-union competition in the carhaul industry; and
- ▶ Significant improvements in the supplemental agreements that address work rules and other issues by region or location.



In Freedom's Name

**TEAMSTERS SERVE THEIR COUNTRY
WITH COURAGE AND DEDICATION**

Teamster Jason Keough thought he and his fellow Marines were going to die. He was partially correct. Keough, a private in the Second Marine Division, was involved in the worst battle U.S. forces faced in Operation Iraqi Freedom. It happened in late March. Keough was traveling in an amphibious assault vehicle, part of a convoy that had crossed a bridge into An Nasiriyah, 233 miles southeast of Baghdad.

AP/WIDE WORLD PHOTOS

Keough and others were eventually saved seven hours later when U.S. tanks arrived. However, 11 Marines were killed in the battle.

The Marines encountered Iraqi troops who appeared to be surrendering. Instead, the Iraqis attacked—one of the few times regular Iraqi soldiers fought instead of surrendering or deserting.

The Marines were returning small arms fire when an RPG—a rocket-propelled grenade—fired by the Iraqis struck Keough's vehicle. The RPG caused an AT4 rocket in the vehicle to explode.

Proud Teamster

The explosion sent shrapnel flying, nearly killing the 26 year-old who took a leave from Local 449 in Buffalo, New York, to join the Marines after the September 11, 2001 attacks on New York and Washington.

"Once I recover and finish my military stint, I will return to UPS and Local 449. I'm proud to be a Teamster," said Keough.

Keough suffered two ruptured eardrums, broke two major bones in two different areas—four breaks in all—above his right ankle.

"They basically reattached my foot," said Keough, whose photograph was on the cover of *Newsweek* magazine. He was also wounded in three places from ball bearing-size shrapnel, requiring bone and skin grafts.

Keough and other wounded soldiers were placed into a Medvac amphibious assault vehicle. That vehicle was later hit by an Iraqi mortar, and Keough and other wounded soldiers left the vehicle about five minutes before it blew up.

"I figured we were going to die," Keough said, as Iraqi snipers had them surrounded.

Defending His Life

While on the ground, Keough said he picked up a rifle to keep the snipers away.

"I shot at anything I could see. Most of what I shot, hit them," he said.

The surrounded Marines had a belt-fed machine gun, which kept the Iraqis at bay.

"I think they thought we had more

firepower than we had—that's why they didn't rush us," he said.

Keough and others were eventually saved seven hours later when U.S. tanks arrived. However, 11 Marines were killed in the battle.

Keough has since been treated at National Naval Medical Center in Bethesda, Maryland, where doctors won't know for a year or two how well his ankle heals. He must also wait to learn if he has long-term hearing loss in his left ear.

Keough is just one of hundreds of Teamsters who are serving their country in Operation Iraqi Freedom and the rebuilding of Iraq.

They are mothers, fathers, sons, daughters, grandparents, sisters and brothers. They work at UPS, drive for Roadway, work in warehouses, and toil as public service workers.

Stepping Up

"In times of war and sacrifice, Teamsters have always stepped up to serve their country," said Jim Hoffa, Teamsters General President. "I know I speak for all of our union's 1.4 members in expressing our gratitude for the Teamsters who are serving. These brave men and women are fighting for freedom in Iraq, and throughout the world. They are true Teamster heroes."

Arthur and Helen Escobedo awoke at four a.m. one Sunday morning to watch the news in their Union City, California home.

They watched video footage of the seven U.S. prisoners of war being freed by fellow soldiers—footage that helped the nation breathe a collective sigh of relief.

One image stood out, that of U.S. soldiers escorting a female POW, Army Spc. Shoshana Johnson. One of the escorts looked like the Escobedo's son, Tury, 19.

"We weren't sure because the picture was blurry," Arthur said.

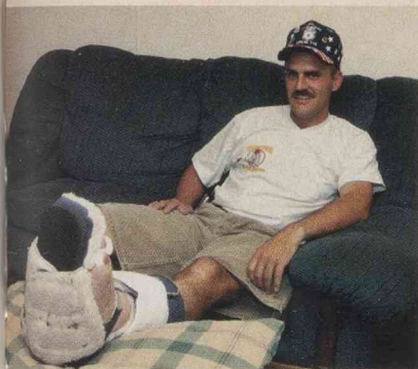
Heroes Recognized

The couple went to church. When they got home, their home was overflowing



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Dan Gann, L710

with relatives and friends who by now had confirmed that it was Tury who had escorted POW Johnson to freedom.

Tury's photo later appeared on the front pages of *The New York Times*, the *San Francisco Chronicle* and numerous other newspapers worldwide.

"It felt great seeing Tury," his father said. "We were blessed seeing that he was all right."

Tury is in the Marine Reserves, taking a break from his night warehouseman job at Southern Wine & Spirits in Union City. He's a member of Local 853 in San Leandro, California.

Efforts to reach Tury were unsuccessful—he was in Iraq and not available by phone. Even his parents had yet to speak to him about his sudden fame. But one thing is for sure—his parents are very proud.

"He's serving our country and keeping us safe. I don't like anyone to be at war, but if we have to be at war, we need to support our troops," his father said.

Brotherhood Of Teamsters

Another Teamster injured in the war was Dan Gann, a Sergeant 1st Class in the Army Reserve's 685th Transportation Company. Gann broke his foot in early April when someone in his platoon stepped on a land mine near Baghdad.

"I'm now dealing with my sixth hospital," Gann said while recovering at his South Bend, Indiana home.

Gann, a member of Local 710 in Chicago, said he is looking forward to returning to work in late August or early September.

"I really appreciate all the support we got from the people back home. I can't wait to get back to work and back to the brotherhood I have with my Teamster co-workers."

TEAMSTERS SERVING IN THE WAR AND RECONSTRUCTION OF IRAQ

At press time, *Teamster* magazine had received the names of dozens of members serving our country in Iraq. We apologize for the members that we were unable to recognize.

Local 41—Tommie Bohannon, Cleveland Brown, Lance Fisher, Joseph Kumor, Eugene Miller, Delbert Moon, Jeffrey Reese, Chad Richardson, Jeffrey Swoyer, Richard Wadsworth, Russ Hogan

Local 58—Justin Brown, Greg Walker

Local 96—William J. Baker

Local 117—Pat Young, Carl Kurfess, Jessie Wienert, David Lom, Allen Whidden, Richard Foy, Jamie Bosequett, Alice Fletcher, Corey Simons, Hersh Hoagian, Jim Fawcett, Mike McEwen

Local 120—Karleen Buffington

Local 147—Christopher Silver, Ken Brock, Chad Workman, Nicholas Chance, Cecil Pruiett

Local 164—Jerry Rogers,

Local 170—Jason Millette, David Moore, James Trifiro

Local 210—Mark Kouri, Jamil Bashir, Scott Menci, Mark MacQuillar, Joseph Watson

Local 326—William "Hank" Rickards

Local 340—Howard Brown, Timothy Tabbutt, Erik Hansen, Frank David Lane, John Brosnihan, David Dekanich, Hartley Mowatt, Joel Neal, "Skip" Morissette, John Hart, John Boucher, Charlie Moss, Ken Gotreau



Mark Stacey, L 728

Local 375—Chris Krieger, Garry Bluhm, Donald Trzepacz

Local 431—Ricky Hoffman, Michael Palazuelos, Matt Ringlein, Ron

Works, Richard Ruiz, Darren Adams, Robert Lopez, Arnulfo Guzman, Leonard Contreras, Richard Helm

Local 449—Jason Keough

Local 480—Daniel Callender, Michael Appleton

Local 490—Ross Johnson

Local 512—Gregory Beckman, Alden Chuck Morrow

Local 580—John Pauley, James Strong

Local 688—James McKenzie

Local 693—Fred Hatfield

Local 696—David Shivers, Addison Miller II, David Storey, Jonathan Bush,

Bryan Rager, Jennifer Stubblefield, Clarissa Seats, Chad May, Robert Davis, Sean Miller

Local 707—Thomas Perez, Michael Jackson, Robert Ricci, Donald Armstrong

Local 710—Kevin Bemus, Andre Edwards, Samuel W. Brandt, Edward Cree, Gene Migut, Robert J. Boerst, Nichelle R. Harris, Israel Muniz, Jai M. Quick

Local 714—Jorge Arreola

Local 728—Mark Stacey, Richard Ross, Steve Rogers, Brandon Pilcher, John Carlile, Isaac Smith, Randall Wright

Local 744—Chris Peden



Gary Durk, L 833

Local 749—John McMahon Jr.

Local 804—Yamir Delpino, Emilio Montalvo, Zaida Tirado, Julio Quiles, Kenneth George, Benito

Cruz, Santos Aviles, Shawn Santiago, Sherwin Payne, Matthew Eifler, Paul Rausc

Local 833—Gary Durk

Local 853—Tury Escobedo, Edward Castro, Tan Pham, Jeff Tsurui

Local 955—James Taylor, Karl Graves, Kenneth O'Dell

SUPPORTING THE TROOPS

Members Do Their Part To Say 'Thank You'

Dozens of Teamsters from Local 251 in Providence, Rhode Island volunteered this past spring for three days of collecting and boxing personal items, and sending the care packages to the men and women serving in the Persian Gulf region.

"Freedom is not free—thank a soldier for picking up the tab," said Dave Demuth, a Local 251 member explaining why he helped out. "That's the spirit of being in the Teamsters—everyone pulling together for a common cause."

Meanwhile, Teamsters from Joint Council 42 in El Monte, California teamed up with local businesses to donate 15 tractor-trailer loads of food

and supplies to families at Camp Pendleton. The efforts were just two of the many responses by Teamsters to help the men and women serving overseas.



cream, razors, socks and other personal items. The local's members and other volunteers then prepared about 2,000 individual boxes for members of the Rhode Island National Guard serving in the Gulf.

"We filled three tractor trailers," said Steve Labrie, a Local 251 business agent.

In California, companies associated with Joint Council 42 locals donated items, and the Teamsters delivered the goods to the military families. The items included groceries, soft drinks and water.

"Our members took time off to go up to Camp Pendleton. It's the least we can do for the families of those serving all of us," said Jim Santangelo, Joint Council 42 President.



Teamsters Pitch In

At Local 251, members of the community donated shaving



Missed By All

When the Teamsters asked local unions to send in the names of union members called up for service, the faxes flooded in. The Teamsters serving in the military are obviously missed by their locals and co-workers.

"We have a Green Beret who's serving, William J. Baker. He works at Washington Natural Gas, and he's been a Teamster since 1996, and a union member for 34 years," said Bill Gibson, President of Local 96 in Washington, D.C. "I just hope he gets home safely so he can retire. He's a good Teamster."

Jorge Arreola, a member of Local 714 in Berwyn, Illinois, was called away from work to serve in the Navy. His division is doing construction work in Kuwait.

Arreola's co-worker and fellow Teamster Bob Zimmerman summed it all up in describing Arreola. "He's a good guy, a hard worker, and a family man who likes to talk about his kids. Any guy who goes to war for me and my country is a special kind of guy."

These are stressful times for Teamster families, as loved ones feel the pain of separation.

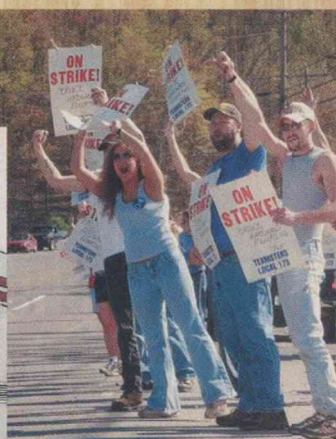
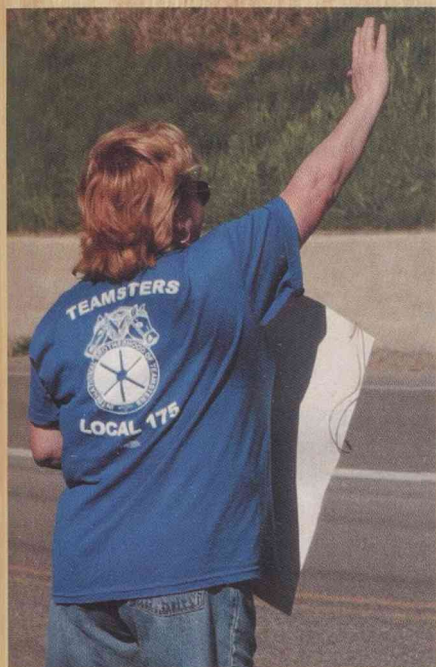
Families Left Behind

Teamster Marilyn Durk, an office manager at Local 833 in Jefferson City, Missouri, has been separated from her husband, Gary Durk, since mid-March. Gary, 54, a sergeant in the Missouri Army National Guard, is in Iraq providing transportation expertise. Gary is a feeder driver at UPS, a member of Local 688 in St. Louis, and a 24-year Teamster.

Marilyn said her husband has a message for people here back in the States: "If anyone asks what they can do, tell them to say a prayer for these soldiers over here who have little children at home."

In a telephone call before he shipped out to Iraq, Gary was upbeat.

"I'm so proud to be a Teamster, and very proud to serve my country! I'm very thankful for the union-negotiated supplemental paychecks, which are much appreciated. Although this deployment was somewhat unexpected, I do believe we're doing the right thing. HOOAH!!"



A HEALTHY FUTURE

Teamsters Stand Together, Surprise Company

The wood that workers at Bruce Hardwoods turn into beautiful flooring is very resilient. But after management tried chipping away at the Local 175 members' health care program, workers proved equally resistant with a strike that stopped the company from putting their benefits on the chopping block.

When the West Virginia hardwood flooring plant tried to cut workers' benefits, Teamsters from Local 175 in Charleston, West Virginia delivered a resounding "no". They voted 471 to 82 to reject the company's contract proposal and started a four-day strike that exemplified true Teamster unity.

"Because we have so many members, we had a schedule for the picket line where people only come on designated days. However, we had countless people showing up every day. The member unity was incredible," said George Scott, a steward who helped organize the plant in Beverly, West Virginia four years ago.

"I don't think the company thought we would be united in this strike, but we were very much so. We surprised the company with our tremendous solidarity," said Joyce Golden, another steward at the company.

Unity Pays

The unity on the picket line—combined with tremendous community support—paid big dividends. Bruce Hardwoods

dropped its plans to cut medical coverage for the 700 workers, and on the fourth day members voted 477 to 86 to ratify a much improved contract.

"The medical benefits and prescription drug plan are exactly what we had in the last contract, and those were the two biggest sticking points," said Ken Hall, President of Local 175.

The biggest issue involved the company's proposal to make workers pay an unreasonable amount toward coverage—39 percent more in monthly health insurance contributions.

In addition to co-pays on premiums, the company wanted to hike the ceiling on out-of-pocket costs for workers from \$2,750 per family to \$4,000. The company also proposed an inferior prescription drug plan. After the successful strike, the company dropped all the proposed cuts in medical benefits.

In addition, the company increased the wage proposal so that workers will

now receive average annual increases of more than three percent.

Teamsters Deliver

"I'm so proud of our members for taking a stand to protect their benefits," Hall said. "We wouldn't have been successful without the support of the community, our members and their families and help from the International."

Scott said he credits the success of the strike and member unity on the proven track record of the Teamsters. During the first three-year contract, stewards and local union officials stepped up to the plate and did a great job representing members.

"When we first organized, we had workers speaking out against Teamster representation. Now those same people support the Teamsters and were on the picket line," said Scott. "We proved what the Teamsters can do for workers—get them the respect and dignity they deserve."

It's Unanimous-Really Unanimous

Victory Adds More Than 300 New Members In Las Vegas

Joe Sampson works as a driver in Las Vegas for Coach USA, a charter bus company. As a military man, he knows what makes an operation run efficiently.

"I understand the protocol of leadership. Without it, certain things get lost," said Sampson who has been working for the company for 14 years and been driving in similar jobs for more than two decades. "Strong leadership reduces stress and makes working better for everyone."

Sampson and his colleagues have found much less stress since they voted for Teamster representation and the leadership of Local 631. In a spectacular victory, the workers voted 249-0 in favor of joining the Las Vegas local. The Teamsters Organizing Department is on a roll—and this is an especially sweet victory.

"According to the supervisor for the NLRB, this was the first time in 20 years

he had seen an election this large without any 'no' votes," said Ray Isner, Director of Organizing at Local 631 and a representative of the Teamsters Organizing Department. "This is a big win."

The unit at the bus company encompasses four locations—three in Nevada and one in Arizona—and includes motor coach attendants, tour guides, wash crews, mechanics and ticket agents. Coach USA offers charter bus, airport shuttle, sightseeing, group tours and taxi service in more than 120 locations nationwide.

Strength In Numbers

"For the vote, they let the Human Resources woman at the company count the votes," said John Milner, a Local 631 organizer. During the counting, he said, "Her mouth just dropped."

Like every organizing campaign, there

are many reasons why workers want Teamster representation. With this one, the biggest issue was wanting a union that could protect them.

"Without the union, the company would walk all over us," said Tim Vos, a driver with the company for seven years.

"We wanted the Teamsters because they're always there to help you. It's as simple as having strength in numbers," said Ron Hickman, who started at the company in 1997 and drives airport shuttles.

Working Together

The success of the campaign was due to the cooperation of Local 631, Joint Council 42 and the International's Organizing Department. Among the major team players were Jim Santangelo, President of Joint Council 42; Manny Valenzuela, the Organizing Department's Western Region Coordinator; and Jeff Farmer, Director of the Teamsters Organizing Department.

"This is a perfect example of what can be accomplished when we work together," said Farmer.

"Things are working out for us now that we have the Teamsters looking out for our interests," Sampson said. "We're all looking forward to the future."

"We wanted the Teamsters because they're always there to help you. It's as simple as having strength in numbers,"

— RON HICKMAN, LOCAL 631



Chipper Express

Recently, 63 drivers at Chipper Express in the Chicago area voted by a more than a 10-to-1 margin to join Locals 179, 330 and 673.

Chipper Express had been the non-union division of LaGrou Distributions Systems Inc. The Teamsters have represented drivers and warehouse workers at LaGrou for many years.

"The Teamster-represented workers at LaGrou receive significantly higher wages and benefits compared to Chipper Express workers," said Bob Warren, Vice President of Local 673 in West Chicago, Illinois. "The Chipper drivers finally got fed up."

The company fought the Teamster campaign by arguing that Chipper leased drivers from two other companies—Transport Production Systems and PTO. However, lead organizer Gary Johnson, who is a recording secretary and business agent at Local 330, proved that through the hiring process and decision-making over wages and benefits, Chipper and the two other companies acted as one company.

LOCAL 463

BOC Gases

By a more than two-to-one margin, gas handlers and fillers at BOC Gases in Ballmawr, New Jersey voted to join Local 463 in Fort Washington, Pennsylvania.

After the Teamsters organized the drivers at BOC Gases in 2000, an election was held for the handlers and fillers, who got promises from the company about pay raises and better conditions if they voted against the union. The workers believed the

company and voted no.

When the handlers and fillers saw how Local 463 negotiated a strong first contract for the drivers, the company didn't have a chance the second time.

"When we lose an election, we make it a point to go back again," said Robert Ryder, Secretary-Treasurer of Local 463. "The bosses never live up to the promises they make. They have a hard time fooling workers a second time around."

LOCAL 705

TTS Triton

Local 705 in Chicago welcomed more than 30 new members after workers at TTS Triton voted to join the union by a two-to-one margin.

Triton is a vendor at the Burlington Northern Santa Fe Railway yard in Chicago, which is already a Teamster facility. The newly organized workers are chassis graders and checkers.

"First we organized three rail yards, then went back and started organizing all the vendors that worked there," said Paul DiGrazia, an organizer with Local 705. "At the yards, we already organized all the ground men, spotters and crane operators. We're on a roll with these guys."

LOCAL 264

BakeMark Ingredients

By nearly a three-to-one margin, 41 drivers and warehouse personnel at BakeMark Ingredients voted to join Local 264 in Buffalo, New York.

"Despite an intense propaganda campaign by the employer, these new members were educated and never let the company's lies rattle their

resolve," said Scott Chismar, an organizer with Local 264. "In all my years of organizing, this is one of the strongest organizing committees I've seen."

In a show of true solidarity, Local 264 received assistance from other local unions that already represent BakeMark workers. The Teamsters Bakery and Laundry Division, Warehouse Division, Organizing Department and the Bakery, Confectionery, Tobacco & Grain Millers Union all contributed to the success of the campaign.

LOCAL 142

Progressive Transportation

Twenty-seven drivers and mechanics at Progressive Transportation voted to join Local 142 in Gary, Indiana, by a more than two-to-one margin.

"It's a wonderful feeling when you see the workers who were behind a drive like this feel a real sense of accomplishment," said Larry Regan, a business agent and organizer who helped with the drive.

Progressive Transportation, located in Hammond, Indiana, is a subsidiary of Coach USA, one of the largest bus companies in the world.

LOCAL 705

Valvoline Bulk Oil Delivery

Tankhaul drivers with Valvoline Bulk Oil Delivery voted for representation by Local 705 in Chicago.

Mike DiGrazia, an organizer with Joint Council 25, said the drive went well, even though the company ran a textbook campaign against the workers. "The guys really stuck together and pulled it off," he said.

Joint Council 25 and Local

705 worked together to educate the workers on what to expect from the company, leading to the successful election.

LOCAL 439

Northern Distribution

Workers at Northern Distribution in Stockton, California, a third-party operator for Ralph's Supermarkets, voted by more than a two-to-one margin to join Local 439.

The workers faced extensive intimidation tactics by management, but the development of a structured inside committee and a vigorous door-to-door effort helped to clinch the win.

"This victory was the result of many hours of hard work by dedicated workers at the distribution facility, and the dedication of the organizing staff at the International and local union," said Sam Rosas, Secretary-Treasurer of Local 439.

LOCAL 654

Clark County, Ohio

After a tough seven-month campaign, workers at the Clark County (Ohio) Board of Mental Retardation and Developmental Disabilities voted 20-12 to join the Teamsters.

The bargaining unit includes 53 bus drivers and safety aides.

"After the county tried numerous stall tactics, our election victory is certified and now we look forward to negotiating a strong contract for our new members," said Ron Layne, Secretary-Treasurer of Local 654 in Springfield, Ohio.



Now that Costco warehouse workers in four Eastern states have voted to retain strong representation from the Teamsters, union officials hope to educate workers at non-unionized stores about the benefits of joining the union.

By more than a 3-1 margin, Costco workers in New York, New Jersey, Maryland and Virginia voted to retain Teamster representation.

"This is a mandate from the Eastern Costco workers that they want to continue being Teamsters," said Jim Hoffa, Teamsters General President. "Being Teamsters has helped them receive the highest wages and best benefits in the retail industry."

"This was an unprecedented election between Costco and the Teamsters to verify support of the union," added Rome Aloise, a Teamsters International Representative who led the union's efforts.

"Costco's wages and benefits are head-and-shoulders above other retailers, especially those paid by Wal-Mart, which pays low wages and requires workers to pay thousands of dollars toward their own health insurance. We will continue to fight on behalf of our Costco members so that they stay ahead of the pack."

A Stronger Voice

The recent Costco election, coordinated by the American Arbitration Association in New York City, resulted from an agreement between Costco and the Teamsters to settle National Labor Relations Board (NLRB) charges and countercharges involving union representation. About 3,300 Teamsters at 16 warehouses in New York, New Jersey, Maryland and Virginia were eligible to vote. The Teamsters also represent about 13,000 workers in California who were not part of the special election.

"We're always working to educate workers about the benefits of being Teamsters, and giving new members a stronger voice in the workplace," Aloise said.

In addition to paying higher wages and benefits, Costco has the good sense to employ nearly half its workforce as full-timers—a much higher percentage than its competitors.

"Costco, unlike Wal-Mart, recognizes the value of experienced, full-time employees instead of 70 to 80 percent part-time workers that most retailers use," Aloise said. "Costco also accommodates students who work for the company, and pays the same high wages in economically depressed areas as they do in area with a higher cost of living."

Union Protections

Costco workers who voted to keep Team-



Staying the Course

EAST COAST COSTCO WORKERS VOTE TO RETAIN REPRESENTATION

ster representation recognized the superiority of their Teamster contract.

"I really enjoy my job, but if I ever need an advocate I'm glad to know I have the Teamsters," said Todd Franklin, a 17-year Costco employee at the Beltsville, Maryland warehouse.

"The Teamsters filed a grievance for me in the past and it was successful," said Franklin, a marketing representative at Costco and member of Local 311 in Baltimore.

Scott Wilson, a meat cutter at the Glen Burnie, Maryland warehouse, said the union contract protects seniority rights and benefits, and provides a working grievance mechanism.

"A Teamster contract improves your whole outlook on life in terms of benefits for you and your family," Wilson said.

Involvement is Key

Fran Rogers, a Costco shop steward and member of Local 210 in New York City, knows the importance of a Teamster contract when she helps defend her co-workers' rights.

"It's good to know someone has your back," Rogers said. "It's nice to know that the Teamsters are there for us when we need them. If there's a problem, the communication is there with our business agents. That's so important—I'm so happy that we won the election."

Teamster leaders are negotiating the East Coast Costco contract now, and it is slated for completion in mid-September. Rank-and-file members are playing a pivotal role in the negotiations, getting involved in a myriad of activities including: completing bargaining surveys and telephone polls and attending meetings at their

"It's nice to know that the Teamsters are there for us when we need them"

— FRAN ROGERS LOCAL 210

locals. And member involvement is what delivers victory.

"Most companies violate the law by threatening and coercing employees, but Costco played it straight and abided by the law," Aloise said. "This proves that when a company plays it straight, workers realize they're better off with a union than without one."



Bob Schoenleber gets some funny looks when he's driving. Some people are annoyed that his truck takes up the whole road. Other people are curious about the 85-foot long rocket he's hauling.

"We don't only haul those. Sometimes we haul the engines for planes or landing gear or the wings," said Schoenleber, a 17-year Boeing driver and member of Local 174.

Local 174 drivers at Boeing are flying high after winning a strong three-year contract that was ratified by 83 percent of the membership. The 239 drivers in the unit work in the Puget Sound region of Washington State and drive everything from 147-foot-long trucks carrying wing parts to limousines carrying Boeing customers.

"I've been at Boeing for 16 great years—great because I'm a Teamster and this is the best truck driving job in the Northwest," said Kevin Dahl, a refuse driver for Boeing.

Keeping The Work Where It Belongs

Among the highlights of the contract are:

- Successor language—the first time Boeing has recognized such language in a contract;
- Cost of living adjustments every three months; and
- Significant health and welfare increases.

"The cost-of-living adjustments and the language that obligates suppliers to honor the Teamster contract if Boeing ever sells the unit to a contractor are extremely important to our members," said Anthony Murrietta, President of Local 174.

A Perfect



To some, that's the most important part of the contract because it says the company can't vend out work as long as the drivers are doing their jobs.

"That language is groundbreaking, really," Schoenleber said. "Especially with the airline industry in the state it's in—this is a great contract."

Protecting Members, Protecting Jobs

The contract didn't come easily. First, there was talk that Boeing was going to sell the unit the driver's work for—The Shared Services Group (SSG) based in Bellevue, Washington. If Boeing ships anything, it is done through SSG.

When the rumors were flying about the possible sale, the International coordinated with Local 174 and Joint Council 28 to show the company that all levels of the union were united in their effort to keep the work in-house. After meeting with the unified Teamsters representatives, Boeing decided not to sell the unit.

"Our job is to protect our members and protect their jobs," said Scott Sullivan, Local 174 Secretary-Treasurer. "That's what our union has accomplished with this contract."

et Landing

LOCAL 174 SAFEGUARDS WORKERS IN

WASHINGTON STATE



*"Our job is to protect
our members and
protect their jobs—
That's what our union
has accomplished with
this contract."*

— SCOTT SULLIVAN,
SECRETARY-TREASURER LOCAL 174

ROYAL TREATMENT

Local 174's Solid Waste Workers Win Arbitration Victory

Though they are employed by King County, Local 174's transfer station workers were treated nothing like royalty. Management thought that because they work with garbage, that's how the solid waste employees should be treated.

That is, until Local 174 stepped in on their member's behalf.

"These Teamsters deserved to be treated much better than how the company was dealing with them," said Scott Sullivan Local 174's Secretary-Treasurer.

The county wanted to decrease the

wages and benefits of most of the workers there, who work a seven-days-on, seven-days-off schedule. Management was seeking to lower wages and benefits to the level of workers who work a normal schedule of five eight-hour shifts and cease paying the additional 15-percent above the negotiated scale for the workers with the seven-on, seven-off schedule.

The county agreed to binding arbitration to determine if the pay differential between the two groups was legitimate. Ultimately, the arbitrator ruled in the union's favor by

saying the differential was justifiable.

"I think the decision was just and long overdue," said Ben Hall, a 15-year Teamster truck driver for King County Solid Waste. "The county has been stubborn, but once the arbitrator made the ruling, it was clear that the Teamsters were right."

The arbitrator also ruled that the transfer station employees were underpaid and had been for years. In addition to the pay differential award, workers were given raises and included in the Western Conference Teamster Pension plan.

King of Beer Contracts



Anheuser-Busch Teamsters Gear Up for 2004 Contract Campaign

breweries and each local sends their plant coordinators and two bargaining representatives to the strategy sessions. During the meeting, reports are given on local activities and further steps are taken to make sure that A-B Teamsters will stand united and vigilant in the campaign.

"These meetings accomplish two things for us," said Dave Laughton, Assistant Director of the Brewery and Soft Drink Conference. "First, it helps the locals and fosters unity within our membership. Secondly, they help facilitate communication between our locals so that we can coordinate our efforts as the campaign moves forward."

An Energized Membership

The Conference is also preparing for negotiations with intensive training sessions for stewards—the Teamsters on the front line in the battle for a strong contract. In order to keep the membership as energized as possible during the campaign, stewards are being educated on issues beyond grievance handling and contract enforcement, concentrating on strategies to revitalize the membership for a campaign that will demand rank-and-file involvement.

"It's good to see that other breweries around the country are dealing with the same challenges and similar issues," said John Adkins, Secretary-Treasurer of Local 947 in Jacksonville, Florida. "Only by working together will we achieve the kind of contract our hard-working members deserve."

STRONG CONTRACTS DON'T JUST HAPPEN OVERNIGHT. They are the result of months of hard work and preparation. Teamsters at Anheuser-Busch (A-B) are preparing for their contract that expires in 2004, intent on winning an agreement that recognizes the Teamsters' contribution to the company's success.

"Our members at A-B excel in their jobs and have helped build a strong company with a great brand," said Jack Cipriani, Brewery and Soft Drink Conference Director and International Vice President. "Now it's time for us to achieve a contract that reflects our contributions while strengthening the working relationship we have at A-B."

A-B recently announced that first-quarter 2003 profits rose 6.3 percent, and its domestic market share soared to more than 50 percent. With 7,000 Teamsters at the company's 12 U.S. breweries, Teamsters can be proud of the company's performance. For the period ended March 31, 2003, A-B's profit was \$485 million, or 57 cents per share, compared with \$456 million, or 51 cents per share, a year ago.

"An important contract goal will be for

our members to get their fair share of these profits," Cipriani added. "We accomplished that at UPS in 2002 and there's no reason we can't do the same thing with A-B. That's the advantage we have in negotiating with a profitable company."

Unity, Communication is Key

In an economic downturn, many companies seek to put healthcare and pensions first on the chopping block. The unity of Teamster members during recent national contract campaigns at UPS, freight and carhaul prevented similar moves by Teamster employers.

The Brewery and Soft Drink Conference has been holding strategic planning meetings at the International in anticipation of the A-B contract. There are 13 A-B local unions representing workers at the 12

Contract negotiations had stalled for Local 311 members who repair and distribute diesel engines at Johnson & Towers in Baltimore, Maryland. Workers at the company were faced with a lemon of a contract and had exhausted just about every bargaining strategy at their disposal. But their last option—a strike—ended up jumpstarting negotiations and winning justice for Teamsters at the company.

About 100 workers struck the company forcing management back with a better offer that included higher pay, better vacations and improved co-pays for the Local 311 members. The local was able to settle two contracts at the company—one for parts workers and mechanics and the other for clerical staff.

"A strike is always a last resort but if things go that far, you've got to stick with it," said Joe Fowler, a mechanic and Local 311 member. "That's exactly what we did."

Four Off The Floor

Four days after they began their strike at the company's Middle River and Beltsville plants in Maryland, the Local 311 members overwhelmingly approved a new three-year contract. The company's mechanics voted 74-4 in favor of the agreement, while the clerical staff voted unanimously to ratify a similar agreement. Terms of the new three-year con-

Preventive Maintenance

Local 311 Strike Stops Sub-Standard Agreement

tracts include wage increases of five percent in the first year, followed by four percent increases in each of the remaining two years.

"We were unanimous in approving our contract because it was such an improvement over our last one," said Donna Gerke, the shop steward for the clerical workers at Johnson & Towers.

Johnson & Towers had also demanded that single employees pay \$5 per week toward their health insurance. However,

under the new contract, single employees will not have to pay at all for the coverage.

"When we saw where the negotiations were heading, we called for the strike vote," said Jamie Schultz, part of the negotiating committee who works in the parts department. "We would have stayed out longer if we needed to."

Tuning Up The Contract

After three days on the picket line, the company came back with an offer that was

promptly rejected by all but two members. The company then went to Ken Kelm, Secretary-Treasurer of Local 311 and asked what they could do to resolve the situation.

"I gave them some counter-offers and they came back with some things we could work with," said Kelm. "We voted the same day and it was almost unanimous."

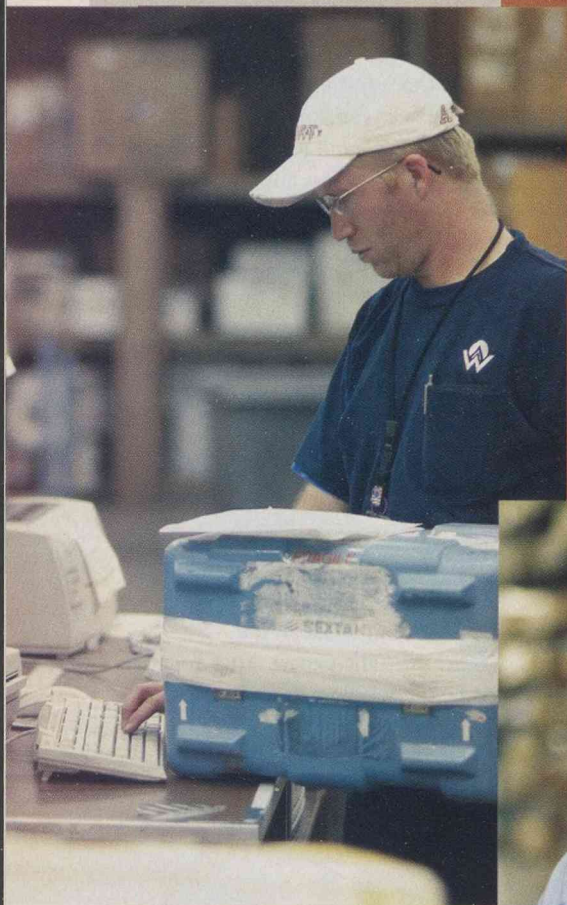
In the agreement negotiated three years ago, the company managed to insert language that management twisted in order to prevent 21 of the workers from receiving a wage increase in the contract's final year. The matter was resolved after going to arbitration, but repairing that language was a priority.

"A lot has changed since our last contract and this time, the language needed to reflect that," said Fowler. "Because of our strike, it did."

"The people stuck together and they got what they needed," Kelm said. "These workers are strong and they showed it."



TAKING STOCK



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America West Stock Clerks Win Contract

Just like there are no unnecessary pieces to a puzzle, there are no unnecessary jobs at an airline. Each position has an important function that could cripple an airline if not done properly.

The average person may not have an appreciation for the work stock clerks perform in the airline industry, but that doesn't mean their jobs are less important than pilots or mechanics. The integral nature of their jobs, and the fact that they're Teamsters, helped stock clerks at America West recently win their first contract.

"The unity of our members and their willingness to be educated on the contract helped us considerably," said Andy Marshall, Local 104 Secretary-Treasurer. "A contract like this will be a good bargaining chip when we're negotiating our contract for the mechanics and related workers at the airline."

Stock clerks at America West receive, unpack, check, store and track airline parts. They keep records of items entering or leaving the stockroom and inspect them for damages. They also sort and organize the parts so they can be located quickly and easily.

Needed Security

America West is the nation's ninth largest commercial air carrier. They provide scheduled passenger and cargo transportation from their hubs in Phoenix, Las Vegas and Columbus, Ohio. The airline serves destinations across North America and they wouldn't be able to operate without the help of their stock clerks.

After a long battle for the respect and justice they deserved, 88 percent of the workers in the unit voted to ratify their initial five-year agreement. The stock clerks, members of Local 104 in Phoenix, are glad it's finally resolved after the fight America West put up during negotiations.

"In a first contract, people need security and this contract gives us that security," said Glen Fort Sr., an America West stock clerk in Phoenix. "There are a lot of good things in there that we have fought hard for over the last three years."

Ever since the stock clerks voted for Teamster representation, they were met with stonewalling tactics to try and break their spirits. The union finally had to request federal mediation to help with the stalled negotiations. Management's refusal to negotiate, proposals to farm out work and schemes to allow management to perform bargaining unit jobs were thwarted by the strength and determination of the Teamster members' unified front at the bargaining table.

Contract Highlights

Some highlights in the five-year contract include:

- A nine percent pay increase the first year with three percent increases for the next four years;
- The first-ever grievance procedure for the workers;
- Job protections;
- Floating holidays; and
- Increased vacation time.

"They are getting job protections like they've never had before," said Pat Porter, a business agent with Local 104. "After the company stalled for so long, a contract like this is a big win."

EXTENDING A HAND

With Teamster Help, Congress Signs Worker Aid Bill

In an important step showing that airline executives aren't the only ones who deserve some security, Congress recently extended jobless benefits for laid-off airline workers. Teamster lobbyists had been working on the issue since its inception.

H.R. 1559, the Emergency Wartime Supplemental Appropriations Act, despite Administration objections, provided an additional 26 weeks of unemployment insurance for laid-off airline workers. The bill was signed into law on April 16.

"We thank those who supported this legislation and recognized the need to help workers, who through no fault of their own, are bearing the brunt of the economic suffering caused by the industry's financial crisis," said James P. Hoffa, Teamsters General President.

However, Hoffa warned that Congress' job has just begun.

"These workers still need resources to help them with job retraining and health care coverage," he added.

H.R. 1559 will assist an estimated 200,000 airline workers who have been laid off since the September 11 terrorist attacks.



REPORT 73 TO ALL MEMBERS OF THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS

FROM: Independent Review Board
Benjamin R. Civiletti
Joseph E. diGenova
William H. Webster

DATED: May 13, 2003

I. INTRODUCTION

This is the Independent Review Board's ("IRB") Seventy-third Report to you on its activities conducted pursuant to the Consent Order. In this Report, we will discuss matters that have currently come before us, including an Agreement obtained prior to IRB recommending charges and the current status of pending charges about which we have previously informed you.

II. MEMBER ACTION PRIOR TO IRB PROPOSED CHARGES

Before formal charges could be recommended by the IRB to the IBT, Anthony Sirabella, a former member of Local 813 in Long Island City, New York, submitted a compromise agreement to the IRB. In February 2002 the Chief Investigator's Office conducted an in-person sworn examination of Mr. Sirabella. At the sworn examination, he was questioned about his alleged association with alleged organized crime figures. In the Agreement, while not admitting or denying wrongdoing, Mr. Sirabella agreed to permanently resign from the IBT and Local 813. The IRB found the Agreement served to resolve the matter. United States District Judge Preska approved the Agreement on March 13, 2003.

III. STATUS OF PREVIOUS IRB CHARGES

A. ANTHONY RUMORE - JOINT COUNCIL 16, NEW YORK CITY

We have previously informed you that Joint Council 16 President Anthony Rumore allegedly brought reproach upon the IBT by failing to investigate whether Barry Feinstein, the former President of Local 237 and Joint Council 16, was a prohibited person. Mr. Feinstein was a prohibited person who pursuant to an agreement permanently resigned from the IBT to settle charges he embezzled approximately \$391,246 from Local 237.

Charges were filed against Mr. Rumore and a hearing was held by a hearing panel appointed by Mr. Keegel. On December 13, 2002, the General Executive Board found Mr. Rumore guilty of the charge and ordered that he serve a two-month suspension from all IBT-affiliated union officer or employee positions and provide a letter to all offi-

cers of Joint Council 16 and the principal officers of all constituent locals that corrects mistaken information provided in a prior legal opinion letter.

In response to Mr. Rumore's January 7, 2003 letter, the IRB notified him that if he wished he could appeal the December 13, 2002 decision. On January 23, 2003, Mr. Rumore submitted a letter to the IRB asking that the sanction imposed upon him be reduced.

On March 13, 2003, the IRB notified General Secretary-Treasurer Keegel, with a copy to Mr. Rumore, that the decision and the suspension were not inadequate. However, the IRB recommended that Mr. Rumore be required to reimburse Joint Council 16 for the cost of the legal opinion obtained in an attempt to support him personally. Mr. Keegel then notified Mr. Rumore of the GEB's agreement with the IRB's March 13, 2003 letter.

In his April 1, 2003, letter to the IRB, Thomas Puccio, Esq., counsel for Rumore, objected to the IBT-imposed sanction requiring Rumore to disseminate a letter to correct the damage from his distribution of the inaccurate legal opinion. In reply on April 22, 2003, the IRB notified Mr. Puccio that after review the IRB found the decision and sanction of the IBT General Executive Board not to be inadequate. On April 25, 2003, Mr. Puccio advised the IRB that Mr. Rumore wished to obtain District Court review of the discipline imposed by the GEB as agreed to by the IRB. On May 5, 2003, the IRB forwarded application documents to the District Court in the matter of Mr. Rumore. On May 7, 2003, an application was delivered to the District Court by Mr. Puccio for Mr. Rumore.

B. ROBERT MOORE, ROBERT DELOATCH AND ALBERT OLIN - LOCAL 522, JAMAICA, NEW YORK

In the last issue of the *Teamster* magazine we reported that the IRB issued an Investigative Report to General President Hoffa recommending that Robert Moore, Robert DeLoatch and Albert Olin, who were the Trustees of the Local 522 Benefit Fund, be charged with bringing reproach upon the IBT and violating their duties as fiduciaries of the IBT-affiliated Benefit Funds by allowing the Local 522 affiliated Benefit Funds to pay large, unsupported administrative and other expenses to the Local. By their actions each caused the Benefit Funds to pay unreasonable administrative expenses to Local 522 which were not necessary for the establishment or operation of the Benefit Funds. In addition, each caused the Benefit Funds to pay unreasonable rent expenses, building expenses and telephone expenses on behalf of Local 522. These expenses also were not necessary for the establishment or operation of the Benefit Funds.

As fiduciaries of the Benefit Funds, Trustees Moore, DeLoatch and Olin were required to ensure that the Bene-

fit Funds paid only reasonable administrative and other expenses. Nevertheless, the Trustees did not know how the payments from the Benefit Funds to the Local were calculated; however, they did know that an outside contractor administered each of the Benefit Funds.

The IBT notified the IRB that charges were filed, an Article XIX hearing panel was appointed, a hearing was held on April 10, 2003, and the IBT will keep the IRB informed of its progress.

C. WAYNE TRAGNI - LOCAL 813, LONG ISLAND CITY, NEW YORK

In past issues of the *Teamster* magazine we informed you that Local 813 member Wayne Tragni allegedly brought reproach upon the IBT by failing to appear for his scheduled sworn in-person examination. Before the charge was filed and a hearing date was set by Local 813, Mr. Tragni requested and was granted a rescheduling of his examination, which was conducted on October 28, 2002.

Local 813 President Needham notified the IRB that a panel held a hearing on the charge against Mr. Tragni on February 13, 2003. The panel found Mr. Tragni guilty as charged and notified the IRB that Mr. Tragni was suspended from the IBT for a period of three months. On April 15, 2003, the IRB notified the Local 813 Executive Board that the decision was not inadequate.

D. LOCAL 901 - SAN JUAN, PUERTO RICO

In past issues of the *Teamster* magazine we informed you that over a number of years Local 901 allegedly engaged in a pattern of conduct in violation of the IBT Constitution and which prevented the members from obtaining information and exercising their rights. The Local allegedly made unauthorized and questionable expenditures of Local funds, had inadequate financial controls, and has never operated under approved Bylaws. Further, the Local's Executive Board allegedly engaged in a pattern of approving expenditures for Board members' benefit which Local members did not

approve as required in the absence of effective Bylaws.

In response to the IRB's report, Mr. Szymanski informed the IRB that newly elected officers are in place, former FBI Agent Angelo Class has begun his investigation of various issues identified in our report, and the updated Bylaws for the Local will be presented to the membership for approval when the final changes are made.

IV. TOLL-FREE HOTLINE

Since our last report to you, the hotline has received approximately 80 calls reporting alleged improprieties. As in the past, all calls which appeared to fall within IRB jurisdiction were referred for investigation. Activities which should be reported for investigation include, but are not limited to, association with organized crime, corruption, racketeering, embezzlement, extortion, assault, or failure to investigate any of these.

Please continue to use the toll-free hotline to report improprieties which fall within IRB jurisdiction by calling 1-800-CALL-IRB (1-800-225-5472). If you are calling from within Washington, D.C., dial 434-8085. The IRB facsimile number is 202-434-8084.

V. CONCLUSION

As always, our task is to insure that the goals of the Consent Order are fulfilled. In doing so, it is our desire to keep the IBT membership fully informed about our activities. If you have any information concerning allegations of wrongdoing or corruption, you may call the toll-free hotline noted above or you may write to either the IRB Chief Investigator or the IRB office:

Charles M. Carberry, Chief Investigator
17 Battery Place, Suite 331
New York, NY 10004

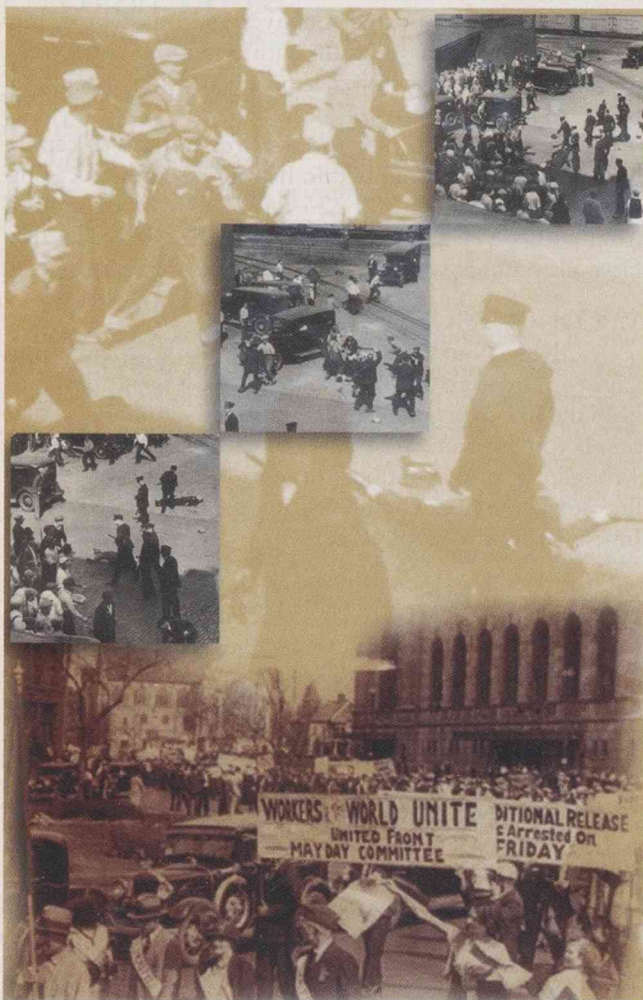
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PART THREE IN A SERIES

The Minnesota Strike of 1934

Mass Protest Was Turning Point For American Labor Movement

IN 1934, TRUCK DRIVERS FROM TEAMSTERS LOCAL 574 IN MINNEAPOLIS, ALONG WITH THOUSANDS OF OTHERS IN SOLIDARITY WITH THEM, SHOWED THE WORLD THE TRUE MEANING OF TRADE UNIONISM.



After a long summer that included "Bloody Friday" where 52 pickets were shot while trying to stop a wholesale grocery delivery, the workers won their settlement on August 22, 1934.

Throughout the history of Minneapolis prior to 1934, truck drivers and other workers in the truck transportation industry suffered from miserable conditions. It was common for drivers and helpers to start work at two a.m. and continue until six p.m. They were low paid, often had to work seven days a week without any extra pay and if complaints were made, they were fired. When the economic crash came, their misery was intensified.

Workers in trucking and most other industries in the city were not unionized before 1934 and had to accept whatever conditions employers imposed. Many strikes were called between 1920 and 1934 and all suffered defeat. Business leaders were confident that the city would always be non-union. They were wrong.

Fight For Justice

The three strikes in February, May and June through August proved that business leaders, the police and national guard could not crush the forces of organized labor in what was previously considered the worst scab town in the country. Even when martial law was

declared, not a truck could move without a strike exception—given only to unionized milk, ice, coal and hospital trucks. In sympathy strikes, all of the taxi drivers and 35,000 building trades workers walked out. Tens of thousands attended mass protests and rallies.

During the first days of the strike, workers were beaten in the most brutal manner. Sixteen women were beaten unconscious after being lured into an alley where newspapers were being delivered. But the workers fought back.

The Battle of Deputy Run

Under the pressure of the strikers' superior force, 2,000 uniformed police and deputies were forced to run for their lives from a hostile crowd in what was known throughout the country as "The Battle of Deputy Run."

After a long summer that included "Bloody Friday" where 52 pickets were shot while trying to stop a wholesale grocery delivery, the workers won their settlement on August 22, 1934. The strike had far reaching effects, as they were a turning point for labor in the 30's and marked the transition of Minneapolis to a union town.

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OF TEAMSTERS AND AMERICAN TIME
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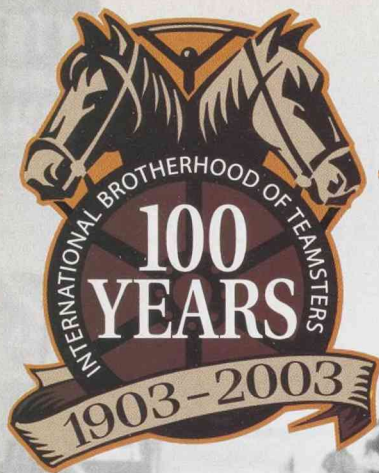
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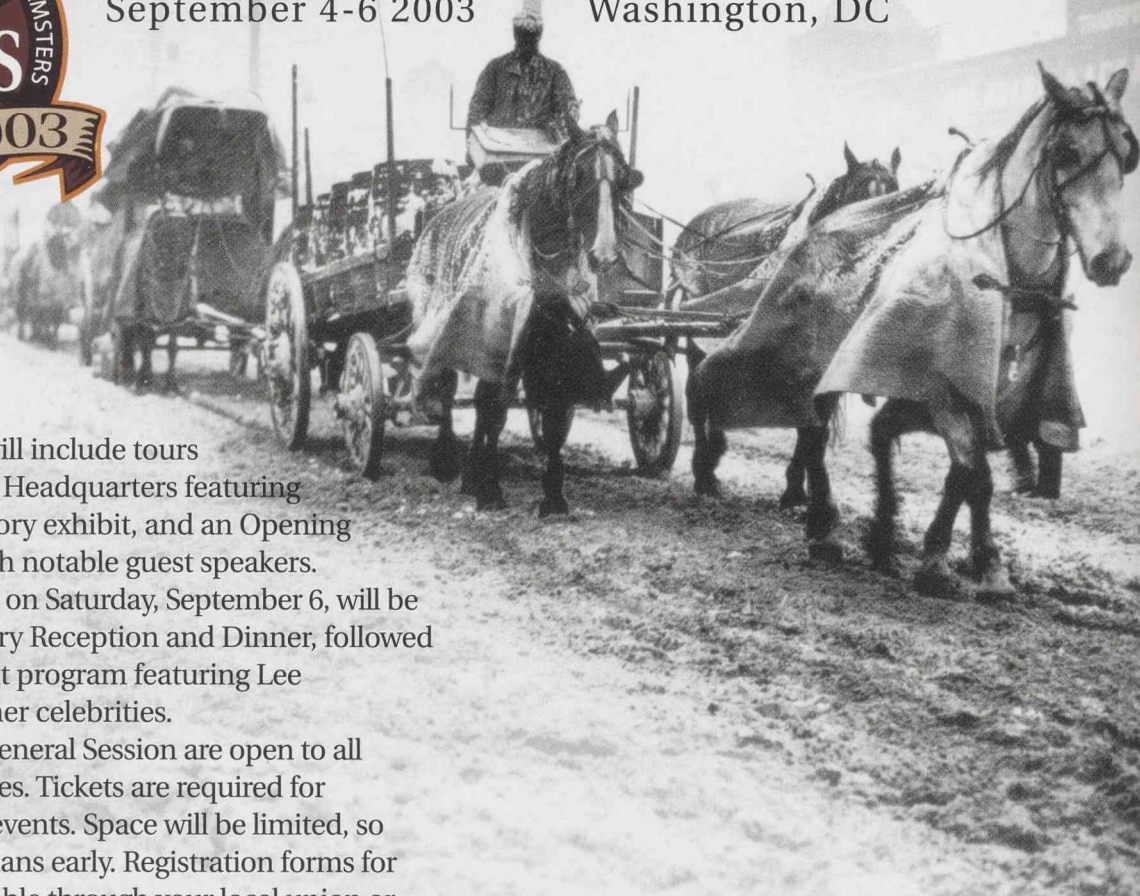


A STRONG LEGACY.
A POWERFUL FUTURE.

Teamsters 100th Anniversary Celebration

September 4-6 2003

Washington, DC



Scheduled events will include tours of the International Headquarters featuring a new 100-year history exhibit, and an Opening General Session with notable guest speakers.

The main event, on Saturday, September 6, will be the 100th Anniversary Reception and Dinner, followed by an entertainment program featuring Lee Greenwood and other celebrities.

Tours and the General Session are open to all members and retirees. Tickets are required for Saturday's evening events. Space will be limited, so please make your plans early. Registration forms for the events are available through your local union or online at www.teamster.org/100thanniversaryregistration.htm

100th Anniversary Reception and Dinner

Washington Hilton and Towers
Saturday, September 6th, 6 pm

For further information contact your local union or visit the Teamster website at www.teamster.org

A block of rooms is being held at the hotel for members attending the event. Rooms will be reserved on a first come first serve basis. Space is limited, so make your plans early.

Hilton Reservations: 1-800-HILTONS
Ask for "Teamster Room Block"

Room Rate: \$165 per night

Last Day to Reserve: August 1, 2003

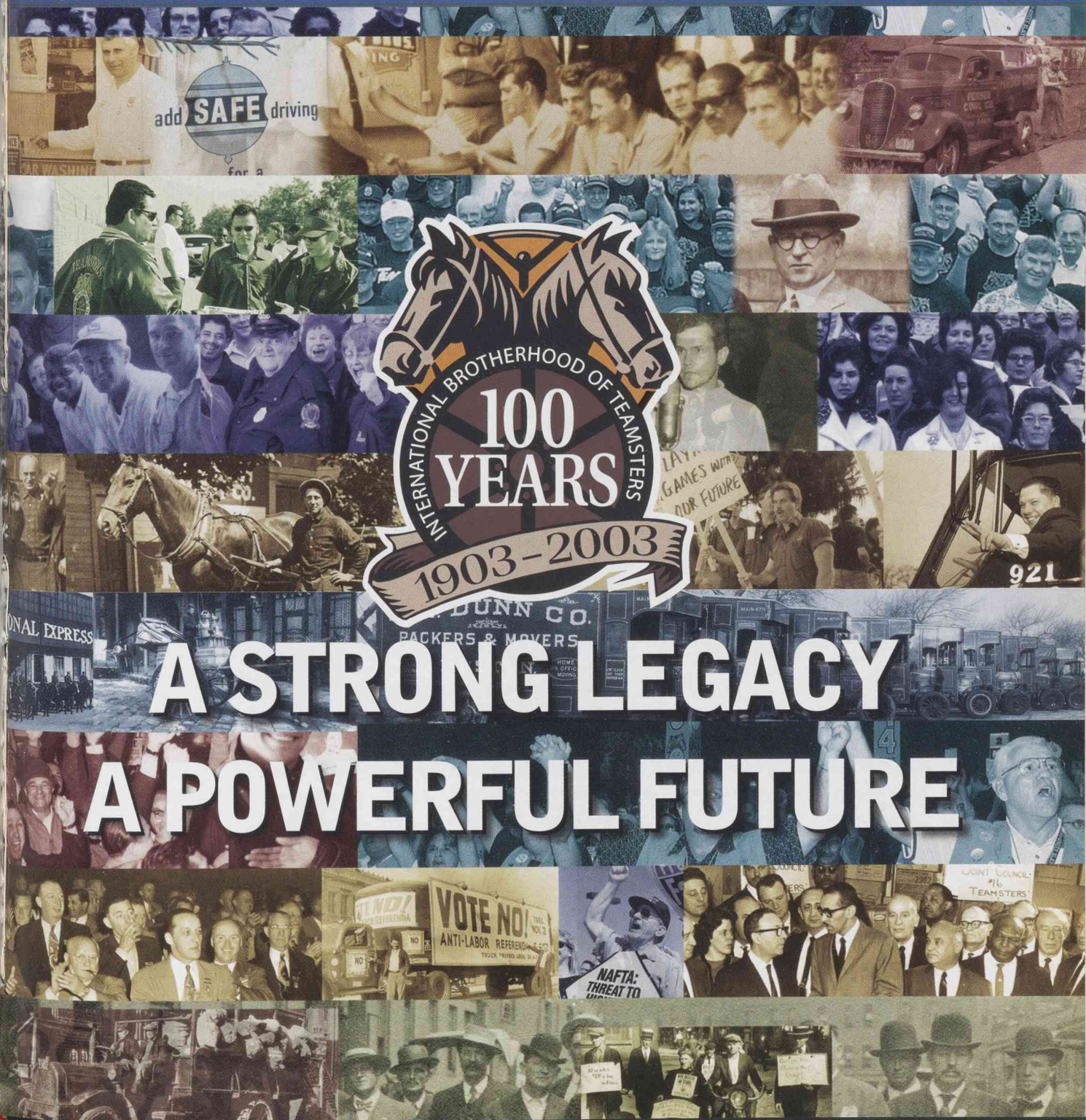
Reception/Dinner

Tickets: \$100 per person*

**The price of the ticket includes reception, dinner, entertainment, and celebration mementos.*

SEPTEMBER/OCTOBER 2003

TEAMSTER

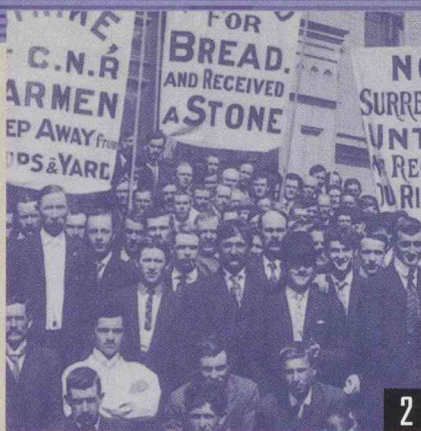


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24 Local Heroes

18 Teamster Locals Celebrate a Century of Service

TEAMSTER

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INTERNATIONAL BROTHERHOOD OF TEAMSTERS

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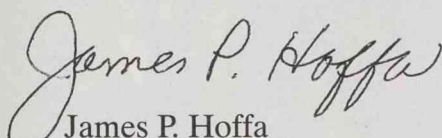
A cardinal rule for the labor movement—and for life in general—is that one must study the past in order to better prepare for the future. That is why we take great pleasure in presenting this inspiring review of the first century in the life of the International Brotherhood of Teamsters.

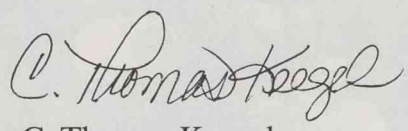
For 100 years, the Teamsters Union has been at the forefront in the struggle for worker rights in North America. As our vast continent became linked by the world's most comprehensive network of highways, the transportation industry experienced explosive growth—as did the need for strong union representation.

The earliest Teamsters were drivers and stablemen. By building on the strength of those workers, today's Teamsters Union is more diverse than ever—encompassing workers in every imaginable occupation. Yet while our professions have evolved, our union maintains its commitment to guaranteeing a safe and fair workplace, a secure retirement and a decent standard of living for every Teamster and their family.

The Teamsters story is the story of the North American worker—a story of struggle and sacrifice, heartbreaking setbacks and enormous accomplishments. As you browse through these pages, we invite you to share in the celebration of our union's heritage—and to join us as we learn from our proud legacy and build a powerful future.

Fraternally,


James P. Hoffa
General President


C. Thomas Keegel
General Secretary-Treasurer



Coming Together: THE EARLY YEARS





FIRST CHARTER

For the newly formed International Brotherhood of Teamsters. 1903

GEORGE INNIS

was President of the Team Drivers International Union. He continued in a leadership role with the formation of the International Brotherhood of Teamsters.



ALBERT YOUNG

was President of the Teamsters National Union. c. 1900



DANIEL J. TOBIN
served as General President of the Teamsters for 45 years.

From the early days of our nation, the men who drove horse-drawn wagons played an essential role in American commerce. Trade and delivery of goods would have come to a virtual standstill without the hard work and risks undertaken by these team drivers or "teamsters" as they were known. Despite the importance and necessity of their work, life was not easy for them. Jobs were not secure and often scarce in low seasons or difficult economic periods in the country. When a job was available, the workload was heavy and frequently dangerous as decent transportation routes were nonexistent. The men labored 12 to 18 hours per day, seven days a week for an average wage of \$2.00 per day with the cost of any lost or damaged goods deducted from their wages.

By the end of the 19th Century, teamsters were fed up with poor treatment and began to join together to improve their working conditions. In 1898, team drivers in the Midwest organized into 18 local unions.

This activity caught the attention of Samuel Gompers, President of the American Federation of Labor (AFL). He began urging the locals to form a national union and join the AFL. Local unions agreed and in 1899, the Team Drivers International Union (TDIU) was formed with a membership of 1,700.

By 1902, the union had grown to 13,800 members, but there was trouble brewing. Several locals in the Chicago area were unhappy with an increase in the per capita tax paid by the locals to the International Union and they strongly disagreed with the TDIU's policy of allowing drivers who owned up to five teams to join the union. The Chicago members eventually split from the TDIU and formed their own union—the Teamsters National Union. There were now two unions representing teamsters, one affiliated with the AFL and one independent union.



NEWSPAPER DELIVERY

Above: Newspaper delivery workers navigating the streets of New York City faced many challenges. c. 1900

SYMPATHY STRIKERS
in 1905 join with 4,600 Chicago Teamsters against Montgomery Ward. The strike was broken, and the rising discontent helped pave the way for Dan Tobin to win the General Presidency in 1907.



A NEW UNION IS FORMED

Most rank-and-file members quickly realized that two unions were an unnecessary drain on time, energy and resources, and began to debate possible alternatives. Gompers helped foster a solution that led to a unified national membership with an amalgamation convention held in August of 1903 in Niagara Falls, New York.

Delegates were sent from each of the two groups to work out their differences and a new union for the teaming craft—the International Brotherhood of Teamsters—emerged. The new union soon became recognized as a powerful force in American labor.

The first Teamsters were proud of their craft and the leading role they played as part of the backbone of American industry. But they also understood that changing the perception of the “working man” held by business and industry leaders as well as the “polite” middle classes, was no easy task.

Improving wages and working conditions would take enormous effort. There were few laws protecting workers, and companies used anti-trust laws—which were originally aimed at controlling company monopolies—to halt the progress of the rising labor movement.

In 1905, the Teamsters went on strike at the Montgomery Ward Company in Chicago. The strike lasted 100 days and became very violent, resulting in 21 deaths and an estimated \$1 million in fiscal loss to the union. In the end, the company’s cutthroat tactics broke the strike. This defeat led to a change in leadership. At the 1907 convention a new president was chosen, one with strong national support and new ideas for the future. The election of Dan Tobin as General President of the Teamsters brought renewed momentum to the



organization, and started the fledgling group on a path that would change the face of the labor movement.

EXPANDING THE MEMBERSHIP

The Teamsters now entered into a period of aggressive organizing which resulted in a broadening of the membership base as well as increased revenue and recognition. Workers in areas not traditionally associated with team drivers, such as gravel haulers, beer wagon drivers, and deliverymen for bakeries, joined the union. By 1909, new crafts led to a name change that more accurately described the growing membership—the International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers.

As the Teamsters grew in stature and became more confident in its ability to protect members in the workplace, the success rate of its efforts increased. The union was winning strikes, contracts were becoming standardized and benefits were won that reduced hours and increased pay.

The industrial revolution hit the Teamsters as it did all of the skilled trades and crafts. In 1910, technological progress began to affect the Teamsters at their very heart. Horses—their faithful partners—were being outmoded with the advent of the motorized truck. It would be years before horses were completely retired, but the union was quick to see that the motor truck was the way of the future and acted accordingly.

Efforts were made to organize workers in newly forming motor truck companies. And the Teamsters sought to include truck drivers in contracts with companies that utilized both horses and motorized vehicles. In 1912, Teamsters were involved in the first transcontinental delivery of goods by motor truck. As a result of that event and other similar experiences, the union became a staunch advocate for



ROLLING ALONG

Workers move tree trunks down a trail in the Oregon Mountains.
c. 1910



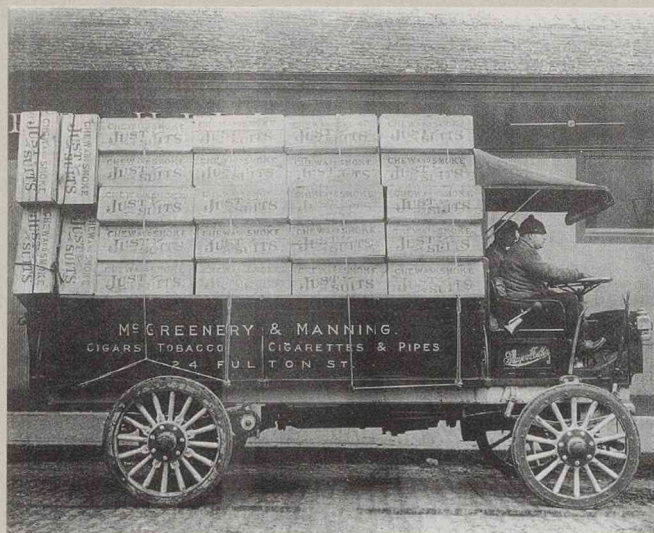
MILK DELIVERY

An early Teamster delivers milk to restaurants.
c. 1907



ADAMS EXPRESS COMPANY

An early motor truck and a horse and wagon used by the company represent the transition many companies made as technology evolved.
c. 1912



TOBACCO MOTOR TRUCK
Delivery times were shortened with the advent of the motorized truck. c. 1918

LABOR DAY PARADE
Members of Teamsters Local 144 in Terre Haute, Indiana proudly show off their float in the Labor Day Parade.

1918



WOMEN IN THE WORKFORCE
The numbers of women entering the workforce increased greatly with the onset of World War I. They took on many jobs traditionally held by men, such as maintaining vehicles and machinery. c. 1920

improved roads and driver safety training.

Legislation passed in the years just prior to World War I eased some of the struggles on union members. The Clayton Anti-Trust Act declared that unions were not unlawful under the Sherman Anti-Trust provisions, and workers compensation bills were passed in most states. Union contracts also resulted in shorter days, giving workers some "leisure hours" often for the first time in their lives.

HOPE FOR THE FUTURE

As the country entered into World War I, the Teamsters had developed a fair amount of political and economic leverage. Union officers, particularly General President Tobin, were recognized as national leaders and were asked to serve on various government advisory committees and international labor conferences. Many rank-and-file members served on service and reform committees in their local areas. The government realized that to establish and sustain the war effort, the full cooperation of the Teamsters would be needed. Union members collected and delivered supplies, attended rallies, purchased war bonds and helped in relief efforts for families of soldiers and war victims overseas.

As union men went abroad as combat soldiers or support personnel, women stepped up to take over the jobs that they left behind. More women than ever entered the workforce and the union was concerned that unscrupulous employers would view these workers as easy targets.

Organizing efforts were increased and Teamster women were given additional training in bargaining tactics and other skills to keep the union running smoothly during the war. Teamsters adopted the national slogan, "Equal pay for equal work," leaving no question that it was strongly supportive of its female members.

The war brought about unavoidable social changes. New inventions and tech-



ologies included both marvels and horrors, and seemed to emphasize and quicken the pace of the world's move into the "modern age." The Teamsters were determined not to be left behind.

The years following World War I held many ups and downs for the union. Economic forces, increased immigrant labor, changing perceptions of the labor movement and growing differences in practices, values and ideology in the labor movement itself would all play a role in the future of the Teamsters. But for a group that in less than two decades had gone from a fledgling union with only a few thousand members to a powerful voice for the working class, wearing the union pin was not just a habit or requirement but a source of true pride and hope for the future.



TEAMSTERS IN WORLD WAR I

Teamsters were involved in all aspects of war service both at home and abroad.

Top: Samuel Gompers, President of the AFL, pays the doughboys a visit. 1918

Below: Teamsters had an advantage over their fellow soldiers as they were already familiar with "motor trucks." c. 1917





Building Membership: ORGANIZING AND NEGOTIATING





Organizing is the lifeblood of all unions. And as the labor movement matured in the 20th Century, unions survived or failed based on their ability to achieve critical density in their respective industries. The odds were stacked against union organizers. As industrialization changed the face of a formerly agrarian nation, the new corporate aristocracy and its allies in legislatures and the courts conspired to prevent the growing ranks of wage-earners from gaining a measure of control over their pay and conditions at work. These powerful forces helped to shape the opinions of a public easily frightened by the prospect of a strike.

For Teamsters, the challenge was particularly daunting. With its traditional workforce largely mobile and vulnerable to exploitation, drivers were easy pickings for employers determined to avoid unions.

OFF THE HOOF, ON THE ROAD

By 1912, the gradual rise of motor traffic and the demise of horse-drawn wagons made obvious the need to adjust tactics in a changing industry. General President Dan Tobin launched a campaign to organize operators of the new technology, bringing into the union beer wagon drivers, gravel haulers and deliverymen for bakers and confectioners.

Although World War I sparked an industrial boom that expanded the transportation sector, the Bolshevik Revolution in Russia helped create a Red Scare used by the government as a pretext for savaging unions in the postwar period. Looking toward the future, Tobin in 1920 sponsored a doubling of the per capita assessment charged to locals, making it possible to raise strike benefits. In addition, the Teamsters expanded their jurisdiction by affiliating with the Canadian Trades and Labour Congress.

The catastrophic stock market crash of 1929 triggered a chain reaction of misery and despair in North America. As banks collapsed, the jobless rate jumped from 3 percent to 25 percent. By 1933, Teamster membership rolls hit a Depression-era low of 75,000. And as with all economic downturns before and since, employers saw the crisis as an opportunity to bust unions and drive down wages.

In 1934, after a successful strike in the Minneapolis coal yards, Local 574 set up a committee to organize all the transportation workers in the city. With employers refusing to recognize the union, Local 574 struck the city's trucking operations. Some 35,000 building trades workers showed their solidarity by also striking. Although the strike was settled on May 25, employers delayed honoring their commitments, prompting a resumption of the strike on July 16. On July 20—or "Bloody Friday" as it came to be known—police opened fire on strikers, killing two and wounding 55. The governor declared martial law, and the National Guard occupied the Minneapolis local, arresting some 100 officers and members. Because of the ties that had developed throughout the city between the citizens and the Teamsters, a mass march of 40,000 forced the release of



TURBULENT TIMES

The violence against workers during the Minnesota Strike of 1934 eventually brought most citizens to the side of the Teamsters.

Opposite:

HISTORIC UPS STRIKE

Teamsters at UPS electrified the nation and provided a shot in the arm to the entire labor movement with their victorious strike. 1997

STRIKE DUTY

Local 237 President William Lewis with members at a 1966 strike.





I organized more than 200 of my fellow co-workers at the Pen Paper and Stock Company in 1948. Each contract that we ratified was better than the previous one. That's what the Teamsters are all about—improving the lives of workers everywhere.

—Eula Cleveland, Washington, D.C.
Local 730 member from 1948 to 1994



WINNING TEAM

The efforts of this Teamster organizing group brought in 1,044 truck drivers and equipment operators employed by the city of Detroit. 1967

FOR THE DURATION

Teamsters aid in promoting strike talks and the idea of “no strikes for the duration” of the war. Thomas Flynn, Local 364 and International staff member talks with Albert Taylor of Local 135. 1942



the Teamsters and on August 22 the strike was won. “The winning of this strike marks the greatest victory in the annals of the local trade union movement,” said the Minneapolis Labor Review of August 24, 1934. “It has changed Minneapolis from being known as a scab’s paradise to being a city of hope for those who toil.”

The Depression also spurred the union to redouble its efforts to organize the over-the-road trucking industry. The keystone of this organizing approach was the control of truck terminals, from which over-the-road truckers could be organized. By 1935, Teamsters membership stood at 146,000.

WAR AND PEACE

During World War II, the Teamsters, like most of organized labor, pledged to refrain from all work stoppages for the duration of the war. Tobin fully subscribed to this policy, maintaining that, “A man who quits work now without the consent and approval of his union—which he cannot get—is and should be and will be classed as an enemy of our nation and of our government.”

Following the war, the union made sure that Teamster veterans kept their seniority when they returned to work. By 1949, membership topped one million thanks to organizing in booming post-war industries, including the automotive trades, food processing and dairy industries.

Congressional passage of the anti-union Taft-Hartley Act in the summer of 1947 boosted management’s efforts to reduce labor’s influence. In the years immediately following the act, unions saw their right to picket constantly eroded by a succession of court rulings. Yet the International continued to perfect its strategy of creating multi-state bargaining units, area-wide negotiations and control of the trucking terminals.

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Aggressive organizing efforts helped to bolster leverage at the bargaining table, resulting in average hourly wage increases far exceeding those of other unionized transportation and manufacturing workers. The late 1950s also saw considerable progress in the warehouse industry, with company-paid health insurance and pensions on the bargaining table.

THE WORLD'S LARGEST UNION

By 1957, the Teamsters had become the largest union in the world by leading the labor movement in organizing wins. At the same time, the Teamsters developed a legislative and political action component that fought anti-union legislation.

In 1964, the National Master Freight Agreement—the first-ever national agreement in trucking—was the crowning achievement of legendary General President James R. Hoffa. Hoffa strategically worked to establish concurrent expiration dates on all freight agreements so the nationwide unit of drivers could leverage their collective strength to achieve this historical agreement. It covered 400,000 members employed by some 16,000 trucking companies and spawned similar bargaining in other Teamsters trades and crafts. Drivers who had once been at the bottom of the economic ladder saw their strength and power soar as a united group.

Organizing fights in the 1960s were essential in raising standards for all workers, union and non-union alike. An obscure strike by 125 workers at J.M. Blythe Motor Lines in Florida was emblematic of the need to maintain union standards for all 100,000 drivers of refrigerated rigs, including those in the right-to-work South. Other developments included expansion of the Anheuser-Busch jurisdiction and a national contract in the linen industry.

Despite a severe recession resulting in

part from a huge Vietnam War-derived federal debt, the Teamsters made many advances in the 1970s. In 1976, Teamsters membership topped the two million mark.

But in the 1980s, as the Reagan administration gave the green light to a new deluge of union-busting, the Teamsters faced a unique challenge as trucking deregulation caused a steady decline in membership rolls for the first time since the Depression. And with each passing year, big business lobbyists eroded labor law and took the teeth out of its enforcement.

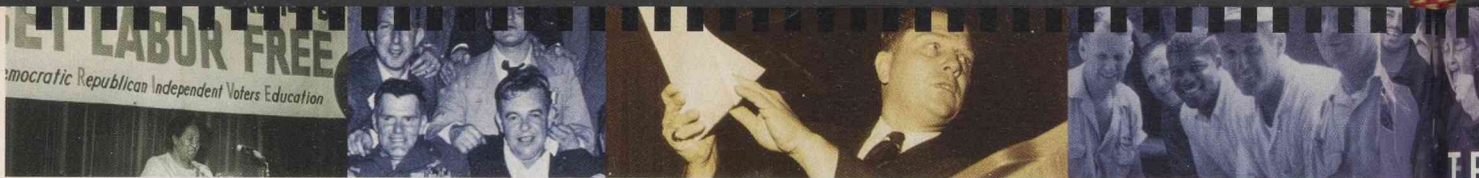
Much of this pattern continued into the 1990s, despite an economic turnaround during the Clinton years. The union was plagued by financial mismanagement and shrinking resources throughout the 1990s. With morale at an all-time low, major changes were in store that would result in strong contracts and a renewed spirit.



REASON TO SMILE
The National Master Freight Agreement of 1964 brought more workers into the middle class than any other single event in labor history.



CARHAUL VICTORY
Carhaul workers after ratifying their new national master agreement in 1999—the first national contract won by newly-elected General President James P. Hoffa



Whether through legislation or activism, Teamsters have a rich history of improving conditions for working men and women. Throughout its 100 years, the Teamsters Union has stood up for the rights of all workers through actions in the community, in the workplace and in the halls of Congress.



LABOR REFORM
Members of Local 25 in Boston show their support for Roosevelt and labor reform. c. 1944

Opposite:
FIGHTING FOR FAIRNESS
Teamster wives from North and South Carolina picket the White House in protest of actions affecting union jobs. c. 1961

SERVICE TO THE NATION
Many Teamsters volunteered for military service after Pearl Harbor. 1942

Since its inception in 1903, the Teamsters has been a political union but it wasn't until later in the century that it found its balance between politics and activism. When the union first began organizing, there were few laws to protect workers' rights. Companies were allowed to use workers as a commodity and referred to them as "employees at will." Organizing in that environment took a special kind of courage. As brave Teamsters fought in the streets against powerful companies, they quickly realized that the government almost always sided with the employer.

For that reason, political action was as necessary to the growth of the union as organizing and bargaining.

Although the Teamsters realized the necessity of strong political unity, its first real visibility in Washington took place during Franklin Delano Roosevelt's administration. The union embraced FDR as he fought for working families and won the passage of legislative initiatives to pull the country out of the Depression. And he relied heavily on labor leaders, especially General President Tobin, to make his case.





Legislation and Activism: **SEEKING JUSTICE**





DRIVE GOES TO WASHINGTON

Teamster political activists came to Washington to lobby against anti-labor legislation such as the Taft-Hartley Act. 1965

MEETING WITH DR. KING
Joseph Konowe, Director of the Teamsters Industrial Trades Division, talks to Martin Luther King Jr. at a civil rights luncheon held by Governor Nelson Rockefeller in New York. 1964



DRIVE TO WASHINGTON

In 1959, the Teamsters launched DRIVE, or Democrat, Republican, Independent Voter Education—the political action and legislative arm of the International Brotherhood of Teamsters. DRIVE was born in the aftermath of anti-union legislation such as the Taft-Hartley Act and Landrum-Griffin Act when it became clear that political and legislative action was required for the survival and prosperity of the union.

Josephine Hoffa, wife of the General President, was the guiding force that initiated the DRIVE program. The October 1963 issue of the Teamster magazine had this to say about Mrs. Hoffa: “To the Teamsters movement, she symbolizes the woman in politics to protect economic gains her husband has won at the bargaining table and on the picket line...Jo Hoffa symbolizes the wife of the working man who stepped forward to meet the political challenge of the times and to put DRIVE into ACTION.”

Thanks largely to the vision of Josephine Hoffa, DRIVE became America's largest PAC shortly after its inception.

FIGHT FOR EQUALITY

Dignity in the workplace does not only come from good contracts. It comes from equality—something the Teamsters have fought for from the beginning.

Women's rights. Civil rights. The rights of migrant workers. Child labor. Retiree's rights. These are just a few of the causes taken up in the name of fairness. Through legislation, donations and activism, the Teamsters Union has made more of a difference in these areas than perhaps any union or single organization in North America. Wherever working men and women marched for jobs, civil rights or justice, the Teamsters were on the front lines.



Under the headline, "No Color Line in Teamsters Union," the December 1942 issue of the Teamster magazine had this to say: "There is no line, insofar as race is concerned, in our organization."

And the Teamsters practiced what they preached. In a 1906 issue of the Teamsters magazine, there was an impassioned plea for all local unions to organize African-American workers.

"By making an effort to organize them, showing them what organization will do for them, there can be no question but that the colored teamsters of the South will become as much of a power in their locality as the drivers in all other cities where they are organized," the article reads.

The International Brotherhood of Teamsters also championed the cause of women's rights early on. The following was printed in the July 1917 issue of the Teamsters Journal: "Equal pay for equal work should become a constant, vigorous slogan among all employees in all crafts."

ANTI-LABOR LEGISLATION

Despite the objections of labor, anti-union sentiment prompted congress to pass the Taft-Hartley Act. Under the Act, secondary boycotts, work stoppages over jurisdictional disputes and the "closed shop" were all outlawed. c. 1947

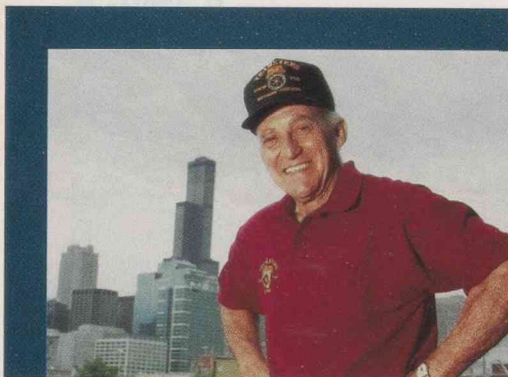
NEW PERSPECTIVES

Clara Day of Chicago's Local 743 became one of the most prominent women leaders in the union. Here, Day greets civil rights leader Ralph Abernathy. 1968



LET LABOR FREE

Democratic Republican Independent Voters Education



The Teamsters provided me and my family with security. You're always secure in knowing you have a solid income. My wife had breast cancer for nine years and the Teamsters paid for all of her medical costs. The union supported me throughout the ordeal. I am forever grateful for the Teamsters.

—Frank Fosco, Chicago

Local 705 member from 1962 to 1998

ANTI-NAFTA RALLY

Teamsters gather at a rally in Dallas. 2001

TEAMSTERS TAKE ACTION
The New England Conference of Teamsters sponsored rallies against anti-labor measures. c. 1952





The strength and brains of women and girls are exploited the world over and especially so in the United States. All working men and women should become actively, and, if necessary, drastically interested in fighting for equal pay for duties performed by either sex. The standard of living in every workingman's home is lowered by sexual inequality of pay and both sexes should band together and swat the curse from all parts of the earth where it exists."

In 1917, the Teamsters won a clause in a contract for women laundry workers that workers would be paid the same regardless of race.

SOCIAL JUSTICE

The 1960s brought a new era of activism—especially involving social justice. But the Teamsters' involvement in social causes was not without consequences. In addition to participating in the historic civil rights event—March to Freedom on August 28, 1963—the Teamsters also adopted a civil rights resolution to contribute money to Dr. Martin Luther King Jr.'s Southern Christian Leadership Conference in 1965. The morning after this resolution and with a heavy heart, General President Hoffa offered a \$5,000 reward for the capture and conviction of those who murdered the wife of a business agent from Detroit's Local 247.

Viola Liuzzo had been among Teamsters participating in a civil rights march in Alabama. The night of the march, on a stretch of Interstate 80 between Montgomery and Selma, Liuzzo was shot dead by a segregationist. Three years later, King was similarly struck down by an assassin's bullet.

The union continues to strive for political and social justice. The Teamsters have many different caucuses keeping an eye on inequality in the workplace and in Washington. The International's Human Rights Commission with delegates from three caucuses—the Team-

sters National Black Caucus, the Teamsters Hispanic Caucus and the Teamsters Women's Caucus—are all hard at work to support Teamster diversity.

In words and action, the Teamsters have long sought equality for workers regardless of race, sex or age.



PROMOTING CIVIL RIGHTS

Members of Local 239 in Little Neck, New York travel to Montgomery, Alabama to join civil rights marchers. They drove 22 hours non-stop to be on time for the rally and march. 1965

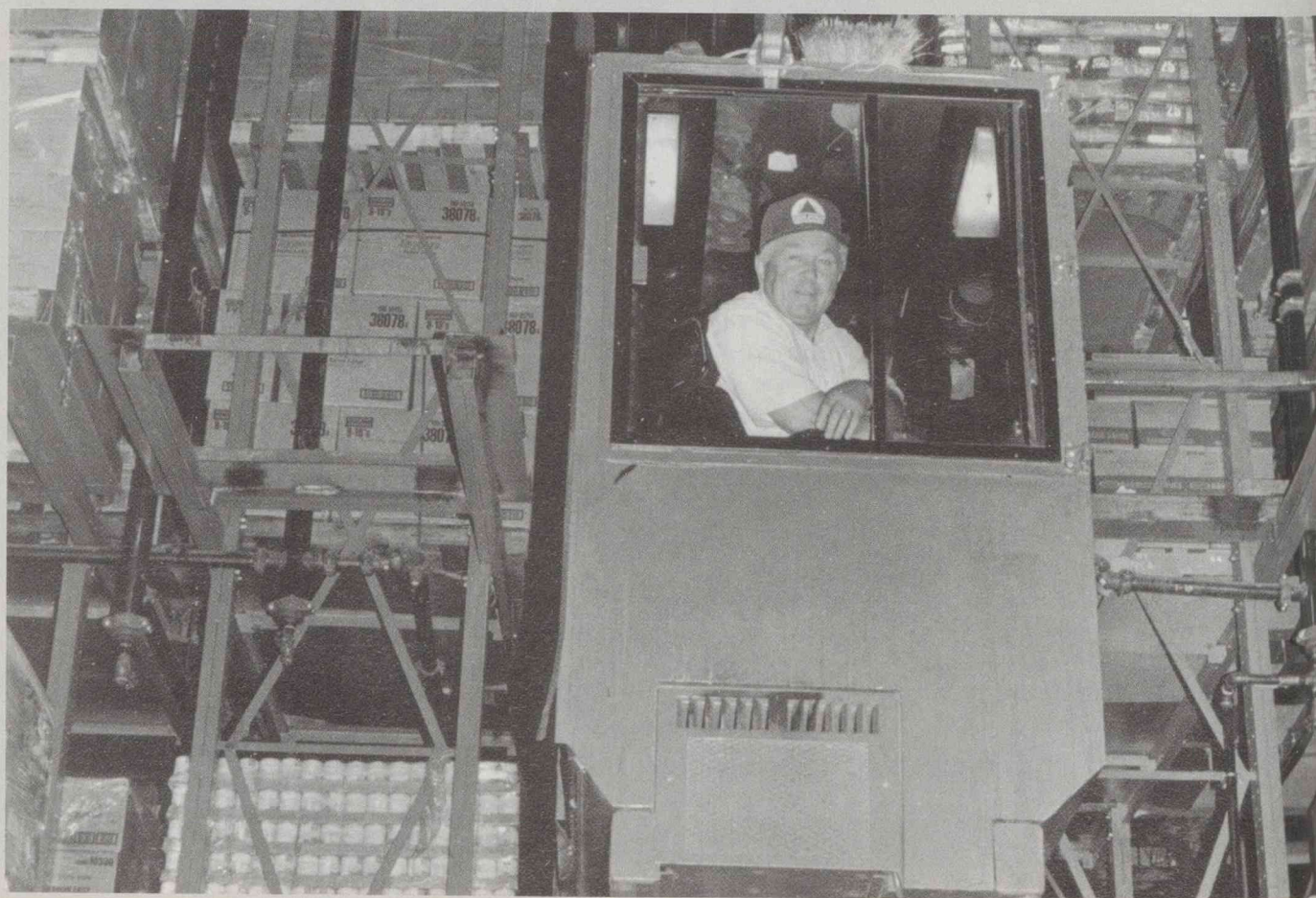


SOLIDARITY DAY

New York Teamsters show their support for labor issues. 1991



Adapting to Change: **BROADENING THE TEAMSTERS HORIZONS**





Although the Teamsters began as an organization of team drivers, it has changed and expanded over time to address the needs of its members and workers. In the process, the union has attracted new members from industries far outside its original ranks. Over the last century, the union has proven itself extremely adaptable. Teamsters have seen the very fabric of their lives altered by technology. These changes necessitated the emergence of energetic, imaginative leaders to guide the union with a solid vision for the future and skill at keeping pace with advances in every field of labor.

The first major adjustment for the Teamsters came early in the life of the union. Just a few years after the formation of the International Brotherhood of Teamsters, use of the motorized vehicle began creeping into everyday life. This one-time curiosity and toy of the rich suddenly threatened the livelihood of members employed to haul and deliver goods by horse and wagon.

General President Tobin recognized that the "motor truck" was the wave of the future for transporting goods. He knew ignoring the situation would weaken the union and leave workers vulnerable and unprepared to cope with the rapidly changing world. He created an aggressive plan to organize workers at the fledgling motor truck companies and worked hard with companies that were shifting from horses to motor power to ensure the transitions were gradual enough to allow workers to adjust and learn new skills.

DRIVING INTO A NEW ERA

In 1912, Teamsters from the Charles W. Young Company in Philadelphia drove

off on a mission that would not only change the very basis of the union, but would earn a place in the industrial history of the United States.

The Teamsters drivers set out from Philadelphia with three tons of Parrot Brand Olive Oil Soap, and headed for Petaluma, California. By the time they reached their destination they had caught the attention of the country and set a historic precedent. This first transcontinental delivery by motor truck would serve as the inauguration of a new era in the transportation of merchandise.

This was an exciting time—full of possibilities for the future—with one regrettable downside for Teamsters. The horses, or "teams" that had been the faithful and trusted companion of the drivers, came to the end of their road. The Teamsters would show an ability to adapt to numerous changes over the coming decades, but through an almost unspoken agreement amongst the ranks, one thing would never change. The horse would always be a proud and lasting symbol for the members, honoring the heritage and traditions that gave rise to a great union.



ALL IN A DAY'S WORK

A Teamsters driver waits to move on as "residents" of the area cross the road. c. 1930s



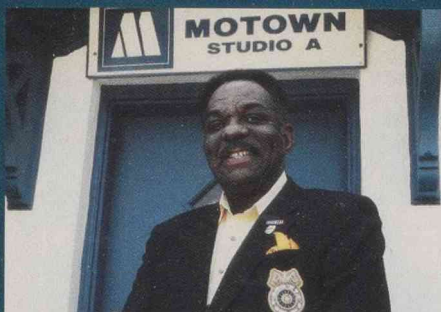
THE UNION SERVICE CARD

Proudly carried and displayed by members at a wide variety of shops and businesses, this card shows the 1940 official name change to include Warehousemen in the title.

Opposite:

MOVING UP

Tony Maiton, a 38-year Teamster veteran, worked as an aisle ranger at the Star Market. c. 1980s



“Thanks to the Teamsters, I was able to receive good wages, health and welfare benefits and a beautiful pension plan as a UPS driver. Being a member has helped me educate my children—twin sons—and now we’re working on the next generation—my grandson Aaron.”

—Leon Cooper, Detroit

Local 243 member from 1967 to 2001

A TURNING POINT FOR LABOR

Tensions had begun to rise in Minnesota as strikers and police faced off in 1934.

VENDING MACHINES

This industry experienced major growth during the 50s and 60s and added thousands of members to the Teamsters. 1967



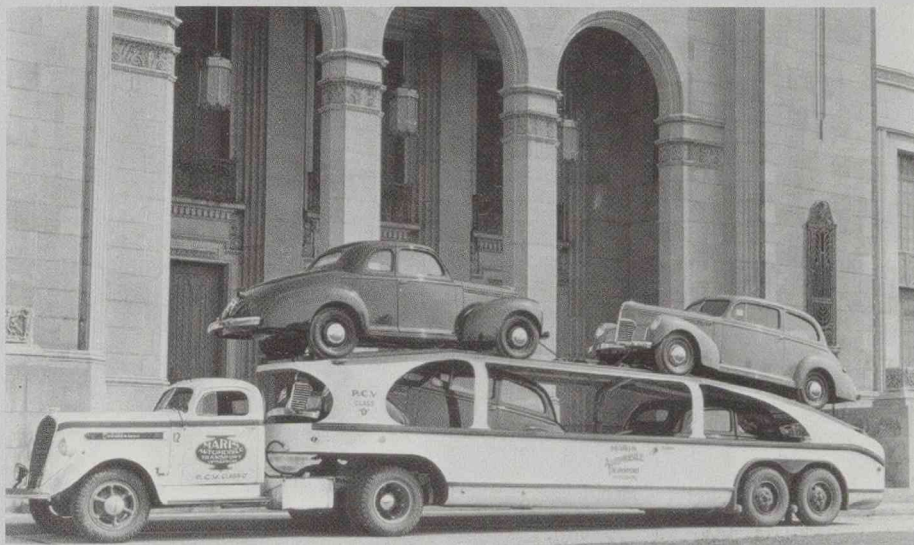
A PIVOTAL TIME

After World War I, numerous advances in technology quickened the pace of America's move into the "modern age." These changes affected workers in almost every industry. As companies expanded, their markets expanded beyond city boundaries. Drivers were increasingly needed for what came to be known as "over-the-road" or long distance deliveries. At the time, "over-the-road" drivers were considered unskilled and were forced to work for low wages in poor conditions. They were not protected by the benefits of a union and, in fact, most unions were wary of taking these workers on as members.

These new drivers, many located in cities such as Detroit and Minneapolis, were becoming increasingly frustrated with their situation and began tentative attempts to organize and become part of a union. Their attempts were not very successful. Conditions in Minneapolis reached a point where angry workers were forced to take action. Encouraged by pro-labor provisions in Roosevelt's National Recovery Act, the truckers decided in the spring of 1934 to challenge the city's anti-labor stance.

At the same time, Teamster leaders in the region realized that the union needed to organize "over-the-road" drivers in order to maintain their strength in the labor movement. Tobin and the other leaders at the International, after much debate, offered some assistance to Local 574 members in Minneapolis who—acting on behalf of the workers—demanded improved working conditions and recognition of the union as their bargaining agent. The negative response of the city's employers and government officials led to a trucker's strike that shut down the city.

The Minneapolis strike of 1934 is widely seen as a pivotal moment for the Teamsters and the labor movement. For the Teamsters, its membership increased as the barriers against "non-craft" workers were eased, and the union's stature as a powerful force in the labor movement



increased. The outcome of the strike also led to the enactment of legislation acknowledging the rights of workers to organize and bargain.

EARLY CARHAULER

South Bend, Indiana. Local 364.
1939

A CHANGING WORLD

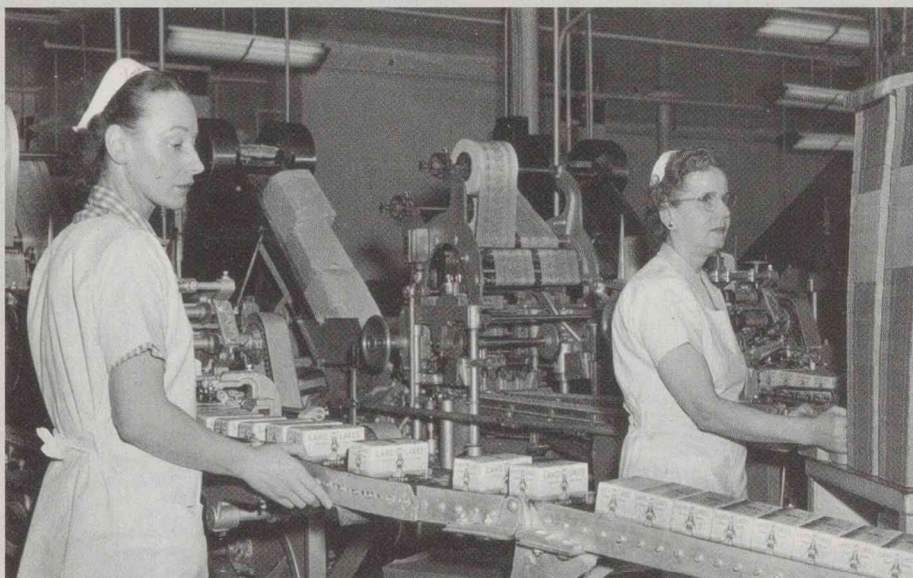
Jurisdictional disputes among various unions in the years immediately following World War I also brought changes to the membership. In 1922, after many debates, the Teamsters were given jurisdiction over materials unloaded from trucks at docks and waterfront storage areas with longshoremen maintaining control over goods loaded and unloaded off of ships. In a separate decision the same year, the Teamsters were granted control over materials unloaded manually at construction sites. Several years later, in 1928, the Teamsters affiliated with the Building Materials Division of the AFL, creating the Building Material and Construction Trades Division.

The number of warehouse-related employees had been growing steadily over the years just as the use of stables had passed. In 1940, the Teamsters officially became known as the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America to reflect the changing nature of the members' jobs

KANSAS CITY RIVERFRONT

Teamsters load trucks with goods taken off rail cars. 1954





CREAM OF THE CROP

The area of food processing had grown considerably by the 1950s. Here, Local 471 workers complete the packaging of Land O'Lakes butter. 1954



AIRLINE MECHANIC

These workers became part of the Teamsters in the early 1960s.

Growth of the membership dropped during the Depression years due to industry hardships and subsequent unemployment, but the Teamsters did not lose their motivation for organizing new members. The concept of Joint Councils and area conferences was introduced during this time, and these innovations helped strengthen the organizing capability of the union. The onset of World War II placed membership on the upswing again with a significant number of women becoming Teamsters as men were sent overseas to fight. The Teamsters also fought to allow African-American workers to take jobs traditionally held by whites.

Innovative technologies and changes in lifestyle during and after World War II created new industries and new opportunities to organize. Food processing, cannery and vending machine trades would all experience great growth in mid-century and swell the ranks of the union even further.

The Freight Division—always the backbone of the Teamsters—continued to grow, but faced challenges after the war. The amount of freight handled by Teamsters had grown so rapidly that a decision was reached to divide it into smaller, more manageable units. Sections of the freight industry split into separate divisions within the union and were named after the primary products being hauled. The new divisions—Tankhaul, Carhaul and the Parcel and Small Packages Division—allowed for

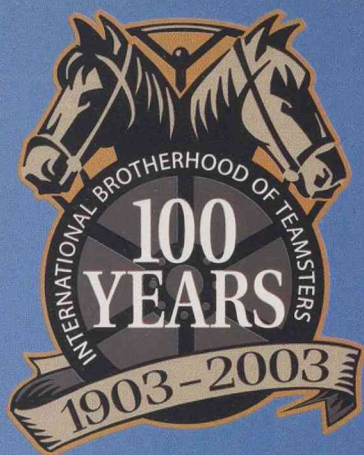
a more specialized form of bargaining and representation. The Freight Division was also the catalyst for organizing efforts in support industries such as garage and service station employees.

TEAMSTERS A-TO-Z

The Teamsters began organizing the airline industry in the early 1960s, with the Airline Division being officially established in 1961. At the same time, the Bakery, Brewery and Soft Drink divisions were becoming firmly established while the Dairy, Industrial Trades and Canadian Conference of Teamsters developed in the ensuing decades. By the end of its first century, the Teamsters had become a truly multifaceted, diverse organization. A Teamster can honestly boast that their union has members in every field of endeavor, running the gamut from airline mechanics to zookeepers.

The Teamsters has not only survived changes in technology but also learned to use it to its advantage. Recognizing the power of television, the Teamsters took a chance and broadcast their 16th Annual Convention in 1952 so more members could participate in the event and their union. That same spirit is still in place today. The development of the Internet has been a major revolution in communications technology and the union is determined to use it well. The Internet is currently being used to provide up-to-date information to the membership on health and safety issues, government regulations and legislation, contract campaigns, important union news and events, as well as serving as a valuable organizing and educational tool.

The labor movement will keep experiencing growing pains with industrial and technological advances into the 21st Century, but the Teamsters will continue to keep abreast of progress while working for the best interests of working men and women everywhere.



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LOCAL HEROES

18 Teamster Locals Celebrate A Century Of Service



**TEAM DRIVERS INTERNATIONAL
UNION LOCAL 25**

Early Teamsters pose in front
of their union hall in Boston.

1899

100-YEAR LOCALS

In 1903, Teddy Roosevelt was in the White House, Boston beat Pittsburgh in the first World Series and the Wright Brothers brought the sky a little closer.

This was also the same year that the International Brotherhood of Teamsters was formed. Today, the Teamsters Union has more than 500 locals but only 18 of the original group remain. The 18 100-year old locals are a diverse bunch, but the one thing they share is a dedicated, powerful membership.

"Simply put, the members keep this local going," said Van Beane, Secretary-Treasurer of Local 85 in San Francisco. "Their dedication to the Teamsters and to the labor movement has been steadfast."

"We attribute our longevity to the diversity of our membership. If a particular industry is down, while it does impact us, we represent people in many other walks of life whose lives are not affected by downturns in industries or the economy," said Bill Lichtenwald, President of Local 20 in Toledo, Ohio.

"Local 179 has done well because of the hard work and dedication of our members," said Robert White, President of Local 179 in Joliet, Illinois.

"We've been blessed with a good, solid membership," said John Bulgaro, President of Local 294 in Albany, New York. "There are lots of good union people in this area."

STRONG LEADERS

Other locals attribute their endurance to organizing and strong leadership. Boston's Local 25 has not only had strong leader-



ship over the years, it has provided the International Brotherhood of Teamsters with two General Presidents, including Dan Tobin from 1907 to 1952 and William McCarthy from 1988 to 1992.

"A good local really starts with good leadership," said Steve Sullivan, Director of Education and Training for Local 25. "The handful of people that have run this union take the membership seriously."

"Local 710 is as strong as it is because my predecessors were great leaders," said Frank Wsol, Secretary-Treasurer of Local 710 in Chicago.

THE TEST OF TIME

Top: Local 229's union hall was located on a mining site in 1925.

Below: The current Local 229 offices in 1980.



TOLEDO'S FINEST
Local 20 members in
2003 and 1958.



CHANGING MEMBERSHIP

One hundred years ago, the International Brotherhood of Teamsters was a union for team drivers and stablemen—workers who loaded and hauled goods in horse-drawn wagons. Through the years, the membership has changed dramatically.

One way to see the change is to compare what workers did for the oldest locals 100 years ago and what they are doing for the same locals today.

Local 25 in Boston hauled coal and milk. Today, it represents workers at UPS, in freight, motion picture, carhaul, the public sector and other industries.

Local 221 in Minneapolis went from being a coal and ice-hauling local to one of the few all-construction locals in the Teamsters Union.

"One hundred years ago, our local was primarily in the dairy and trucking industries," said Bob Weber, Secretary-Treasurer of Local 229 in Scranton, Pennsylvania. "We're really varied now. We represent a lot of workers under the National Master Freight Agreement as well as UPS, warehouse, the public sector and brewery workers."

Local 710 in Chicago started out as a meat drivers union and a large part of their membership still works in the food industry. But Chicago's Local 734 is an

exception to the rule of a changing membership over the last 100 years.

"Our local strictly handles bakery—nothing else. It's always been that way," said Brian Meidel, President of Local 734.

IMPROVING THE COMMUNITY

Wherever there is a Teamster local, there is a surrounding community that can say it is better off for having the local in the area. With scholarships, apprentice programs, participation in countless local, state and national charities, the Teamsters is not only making life at work better, it is making life in its communities better as well.

Education is an important part of community involvement for these locals, and many offer scholarships to Teamster family members.

Local 42 gives out five scholarships each year to Teamster children and grandchildren. Local 641 has a similar scholarship fund for member dependents. And Local 221 has found an innovative way to

PHOTOGRAPH BY KATHLEEN MARKS



Q&A: Steve Sullivan Local 25

Teamster magazine recently discussed the benefits and challenges of preserving Teamster history with Steve Sullivan, Director of Education and Training at Local 25 in Boston. Over the past several years, Sullivan has dedicated thousands of hours into archiving the history of Local 25.

Why is it important to preserve the union's history?

It benefits our membership to remember the past. Many of our new members don't realize what our predecessors went through to make the Teamsters such a strong union. It's very important that we take a proactive role in sharing our history with the general public, because if we don't offer our own version of the union's history, our enemies will.

What types of materials did you include in the archiving process?

I looked for old photos of members, buttons, pins, uniforms, political placards, dues books, correspondence, etc. I also appealed for help from our retirees in asking for old photos and other memorabilia and the material came in droves.

How did you decide on what materials to display?

I chose themes based on the material I had accumulated. I felt it was important to highlight the evolution of the trucks that our members drove, working condi-

LOCAL 294 ALBANY, NEW YORK • LOCAL 313 TACOMA, WASHINGTON •
 LOCAL 710 CHICAGO, ILLINOIS • LOCAL 734 CHICAGO, ILLINOIS •
100-YEAR LOCALS



HONORING THE PAST
 Local 25 retiree Gene Todd and archivist Steve Sullivan point to a 1964 photo of Todd as a driver for Beacon Fast Freight.

tions, contract language, the legislative prowess of the local and photos of our members at work throughout the previous 100 years.

Where did the funding come from for the project?

We received funding from two different organizations. The Massachusetts Foundation for the Humanities gave us \$2,500 and the Documentary Heritage Grant Program of the Massachusetts Historical Records Advisory Board provided \$4,900. I had heard there was funding for this type of preservation project and I aggressively pursued it.

Do you recommend that other locals undertake this kind of project?

All local unions should be proud of their history. It's very important that the leadership of our local unions make historic preservation and archiving a top priority. A project like this brings officers, members and retirees together in a powerful way.

assist members of the community with its apprenticeship program.

"It's one of the most successful apprenticeship programs around," said George Vojta Jr., Secretary-Treasurer of Local 221. "After training people who wouldn't otherwise get guidance in particular fields, the local helps place them in jobs."

RAISING THE BAR

The 18 locals all help their surrounding communities by raising the standards of employment in their area.

"Local 90 is very diversified so it touches many areas of the community," said Robert Jackson, Secretary-Treasurer of Local 90 in Des Moines, Iowa. "Our local is helping to lay down the industry standard for many jobs."

"Local 162 has been successful in raising the standard for our members through successful negotiations," said Roger Niedermeyer, Secretary-Treasurer of Local 162 in Portland, Oregon. "As a result, we have an effect not only on other unionized employees but the people who are outside the union umbrella as well."

Local 705 works with many local, state and national charities to help the homeless and religious organizations. Local 705 even lets some local churches use their union hall as a place for meetings.

"We think this is a nice community and we work to keep it that way," said Gerald Zero, Secretary-Treasurer of Local 705.

Local 20 supports the United Way, local charities, the annual Labor Day parade, youth sports teams and many other activities members and their children participate in.

STRONGER THAN EVER

Each local is an integral piece of the International Brotherhood of Teamsters. And while these locals have hit an impressive milestone, they show no signs of slowing down and acting their age. In fact, they are contributing more to the labor movement than ever before.

"These locals have built such proud histories by improving the lives of generations of workers and their families," said Tom Keegel, Teamsters General Secretary-Treasurer and President of Local 120 in St. Paul, Minnesota—another 100-year-old local. "There is a reason these locals survived and prospered. Their success is a testament to the strength of their members."

As one Teamster Century ends and a new one begins, these locals will all honor their past while keeping their sights fixed on a promising future.

"We have a family atmosphere," said Alice T. Riley-King, President of Local 42 in Lynn, Massachusetts. "And we never forget where we came from."

FULL PARTICIPATION
 Local 162 members attend a membership meeting. 1957





The Next 100 Years: VISIONS OF THE FUTURE



The world in 1903 looked very different than it does now. Many of the rights and protections that workers take for granted today were just a dream at the turn of the last century. Standards governing hours of work barely existed. Workplace safety regulations were weak where they existed at all.

Child labor laws were nonexistent.

Yet despite the unprecedented pace of change that characterized the 20th Century, Teamsters of today have the same aspirations as Teamsters of old: A fair day's pay for a fair day's work; job security; a safe workplace; good health-care; a secure retirement; and time to spend with family and friends.

With the challenges to workers' aspirations as formidable as ever, the Teamsters Union has embarked on a wide range of innovative policies and programs aimed at securing another century of growth and prosperity for working men and women.

CHANGING TO GROW

By committing massive resources to new, innovative organizing initiatives, the Teamsters Union is leading the North American labor movement in its drive to organize the unorganized.

During an historic Special Convention in 2002, delegates nearly unanimously approved a revamped dues structure that earmarked millions of dollars every year

to an Organizing Fund. And in 2003, the union's first-ever conference devoted solely to recruiting new members ratified the program of its newly reconstituted Organizing Department to strategically organize in Teamsters core industries, target member-rich industries and increase the union's organizing capacity.

The union's emphasis on strategic organizing campaigns has begun to bear fruit. Its impact is felt in such diverse yet traditional Teamsters strongholds as United Parcel Service, where partnerships with local unions in right-to-work states are bringing in more part-time workers; in the waste industry, by targeting nationwide giants Waste Management and BFI; at beverage companies, taking aim at Coca-Cola and Pepsi merchandisers; in food distribution warehouses; and in freight, carhaul and tankhaul.

POLITICAL STRENGTH

Today's Teamsters Union has regained its reputation as the most influential



NO TO WTO

More than 3,000 Teamsters converged on Seattle to demonstrate against the World Trade Organization. 1999



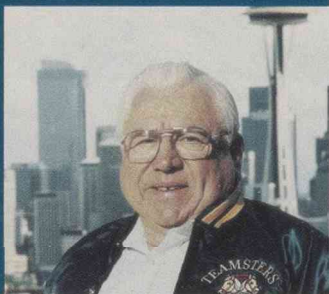
CHANGING TO GROW

The Teamsters Union has committed massive resources to new organizing initiatives in order to grow the union. 2003

The Teamsters meant everything in my life. My daddy was a mule farmer, so we never had a lot. I was lucky to become a Teamster and have a decent living for my family. I know there are millions of stories just like mine.

—Joe Jenkins, Nashville, Local 480 member from 1959 to 1991





“The Teamsters have provided me with a very good living, very good health and welfare benefits and a secure retirement. I’m comforted to know that if something happened to me, my Teamster retirement would take care of my wife.”

—Dan Sullivan, Seattle

Local 174 member from 1950 to 1989

and politically powerful labor organization in the United States.

In recent years, the Teamsters political program and DRIVE—the union’s political action committee—have scored major victories in the union’s efforts to elect a bipartisan Teamster majority. The Teamsters political program is based on members’ interests, closely following legislative and regulatory issues that impact Teamsters and their families.

In Washington, Ottawa, and state and provincial capitals throughout North America, Teamsters lobbyists ensure that the rank-and-file voice is heard loud and clear. Current legislative priorities include union self-governance; extended unemployment and health care benefits for displaced workers; opposition to trade agreements where labor and environmental standards are not included or enforced; highway safety improvements; safe transportation of hazardous materials; immigrant worker rights; prescription drug coverage; worker health and safety; improvement of labor standards; strengthened worker rights and protections; a Patients’ Bill of Rights; and strengthened Social Security and Medicare.

PUBLIC SERVANTS
Canadian Teamsters stand on the front lines in the fight for public safety.
2000



A HOUSE IN ORDER

In 2002, democratically elected Special Convention delegates approved a new funding structure that will provide financial stability to the union for decades to come. Their work built upon a report by the Blue Ribbon Commission on Union Finances, which was appointed by the General Executive Board to review the Teamsters general treasury and Strike Fund, and to explore ideas and options to best solve the union’s fiscal challenges.

The Commission, which included 90 International, Joint Council and local union officers and rank-and-file members from every region, called for reforms to generate needed income to create a dedicated Strike Fund with meaningful benefits; fund a new campaign to organize the unorganized; rebuild Teamster programs and services; and restore the union’s financial strength.

Yet despite its formidable ambitions, the dues reform was formulated so as to keep the per capita lower than any other international union; preserve local autonomy and provide new money for locals; be indexed to members’ wages; and address the special situation of public employees who in some cases cannot strike.

STRONG REPRESENTATION

The real test of a union’s worth is found in the value of the contracts it negotiates. The Teamsters is legendary for its ability to win strong contracts, and it continues to win the best agreements in the labor movement regardless of prevailing economic conditions.

Despite a stagnant economy, union negotiators in recent years have won major national master agreements in core industries, including carhaul, where contract victories in 1999 and 2003 preserved health care, boosted pensions and achieved wage gains and job security provisions; freight, where a \$1.7 billion National Master Freight Agreement in 2003 provided the best monetary package ever for more than 65,000 members, improving on the previous agreement by some \$700 million; and United Parcel Service, where the \$10 billion 2002 national master agreement secured the best wage



TEAMSTERS 100TH ANNIVERSARY

and benefit package in company history, and provided more than 200,000 Teamsters with the industry's strongest job protections.

Under the union's revamped dues structure, a dedicated Strike and Defense Fund provides members forced to strike with out-of-work benefits of 10 times the hourly rate. The fund has been an important lever for extracting gains at the bargaining table.

RUNNING A CLEAN UNION

Even before taking office, current General President James P. Hoffa pledged to maintain a union culture that is intolerant of organized crime, and to establish and enforce legitimate, reasonable standards of conduct to safeguard the union and its members against corruption.

To implement the plan, the General Executive Board formed Project RISE (Respect, Integrity, Strength, Ethics) to establish a clear, concise and practical program for members and officers based upon fundamental trade union values and applicable legal requirements. One goal of RISE is to educate officers and members about these values and requirements and to identify any remaining organized crime influences within the union.

In RISE's exhaustive 526-page report, "The Teamsters: Perception and Reality: An Investigative Study of Organized Crime Influence in the Union," a team of advisors that included FBI investigators, government officials, professors and prosecutors determined that the days of domination and significant infiltration of the Teamsters Union by organized crime were over.

Although the Teamsters have come a



long way in rooting out corruption, union leaders realize it is important to operate internal systems that will sustain a commitment to protecting the members and the union.

ONE-MEMBER, ONE-VOTE

Perhaps the most important step in protecting the members' voice in the union occurred at the 2001 International Convention. The Teamsters initiated a new era of union democracy by passing a Hoffa administration resolution to enshrine the principle of one-Teamster, one-vote, as a permanent component of the union's constitution.

This unique direct election of International officers in North America's largest union provided for a secret ballot vote by mail on candidates nominated in open convention by member-elected delegates. At the same time, this landmark action firmly established beyond reasonable doubt that the members are both capable and determined to govern themselves in accordance with the highest principles of democratic trade unionism, whereby the union's power resides entirely with the rank-and-file.

UPS SOLIDARITY

UPS workers rallied to achieve a strong, \$10 billion contract. 2002

FINANCIAL STRENGTH

General Secretary-Treasurer C. Thomas Keegel led efforts to restructure the union's finances to prepare for the future. 2002





UNIONS UNITE

General President Jim Hoffa and UNITE President Bruce Raynor kick off a joint organizing campaign. 2003

A HOUSE UNITED

By setting its sights on rebuilding the union, the Teamsters have undertaken major changes that have reinvigorated the union and brought its members together as a tight-knit family extending across North America.

Once divided by corrosive internal politics that threatened to tear the union apart, today's Teamsters Union is a house united, focused on pursuing a better future for North America's working families. And as the global economy delivers ever-greater power to an increasingly concentrated group of multinational corporations, today's Teamsters

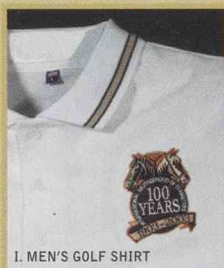
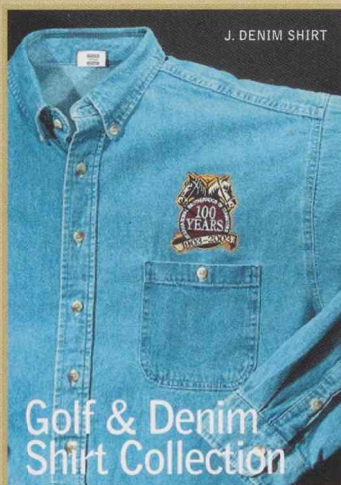
are reaching out to brothers and sisters in every nation to build solidarity and counter common adversaries.

Recent changes and changes yet to come harken back to the early beginnings of the union and to its vision of unity, pride and strength. Yet while members continue to struggle for workplace justice as they did 100 years ago, their odds of achieving success are much greater now. Standing on a legacy of high ideals and great sacrifice, today's Teamster looks forward to a future full of promise—the promise of attaining and wielding the means to demand justice and dignity for North America's working men and women.

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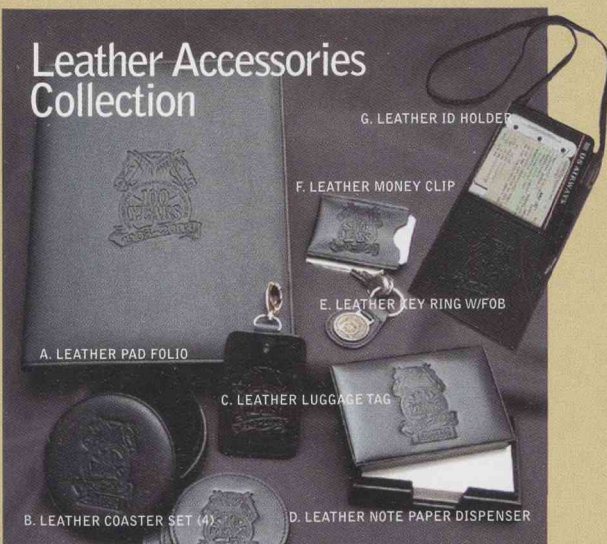
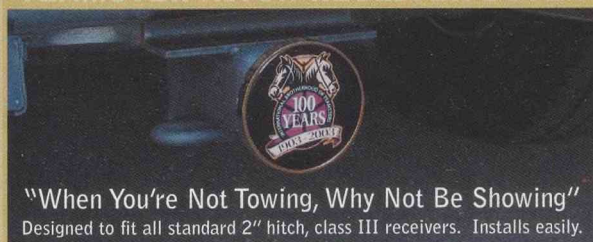


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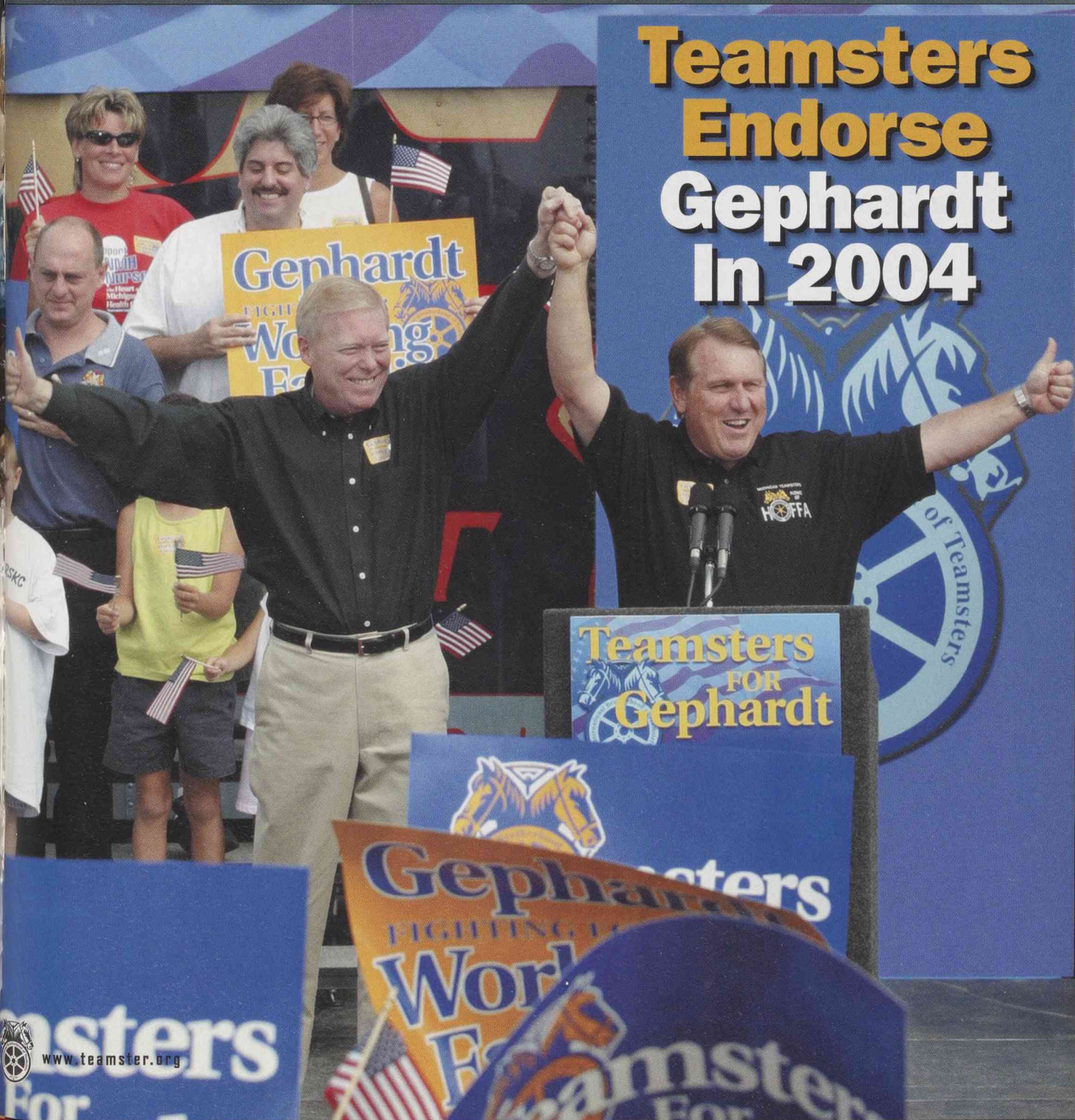
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TEAMSTER

Teamsters Endorse Gephardt In 2004



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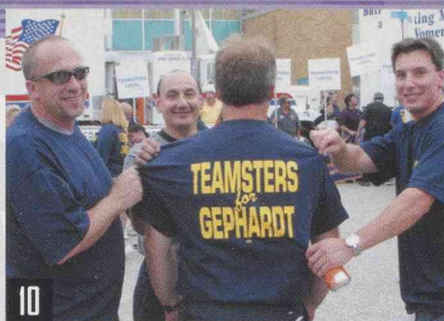
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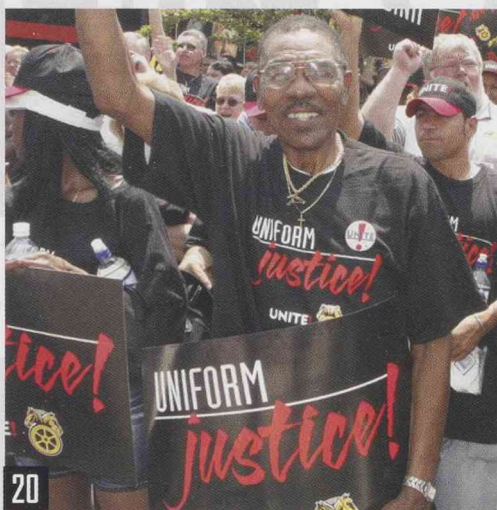
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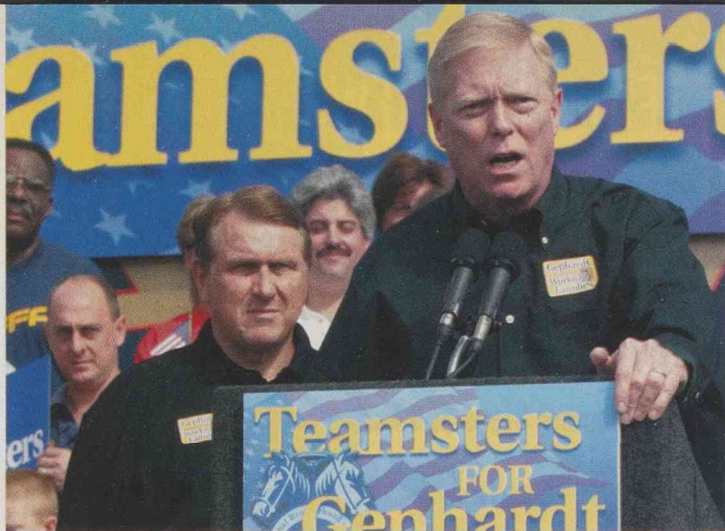
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A MESSAGE FROM THE GENERAL PRESIDENT

An Important Year

As 2003 draws to a close, we have much to be thankful for. Our 100-year anniversary has served as a powerful reminder of all that has been accomplished over the past century.

When the Teamster Century began in 1903, working men and women had little if any protections to speak of. Workers' rights, over-time pay, the 40-hour week, health care and retirement benefits, workplace safety and child labor laws were a far-off dream for American workers. And those rights did not magically appear—they resulted from the blood and sweat of union members who believed in America's promise of justice for all.

The Need For Change

Today, the Teamsters and the rest of labor find itself under attack once again. Unfair trade agreements, anti-worker legislation and an economy that has forced more people below the poverty line than ever before, have put America's working families in jeopardy. And just as America was desperately in need of change at the beginning of the 20th Century, we again find ourselves in a similar situation in 2004.

As we move into the coming year, the most effective way to bring relief to our country's working families will be to elect a President that understands the needs of working Americans. That is why the Teamsters have endorsed Dick Gephardt for President in 2004. Gephardt—whose father was a Teamster milk truck driver—

understands the challenges facing working people. And he is the only candidate with a comprehensive national health care program that not only addresses the needs of the uninsured, but 160 million working Americans covered by employer-provided health care plans. For the past 25 years, he has fought on behalf of Teamsters and championed our causes more effectively and with more passion than any other politician. Now, we have a chance to fight on his behalf and elect him to the highest office in the land. We must not miss this opportunity.

Working Together

The current administration in Washington—as well as the Republican-controlled House and Senate—stands firmly on the side of big business. By working together, we can elect pro-worker candidates in 2004. This must be a top priority for all working Americans. We must remind anti-labor and fence-sitting politicians that their neighbors and constituents are Teamster members. Let's dedicate ourselves to reminding them in the voting booth.

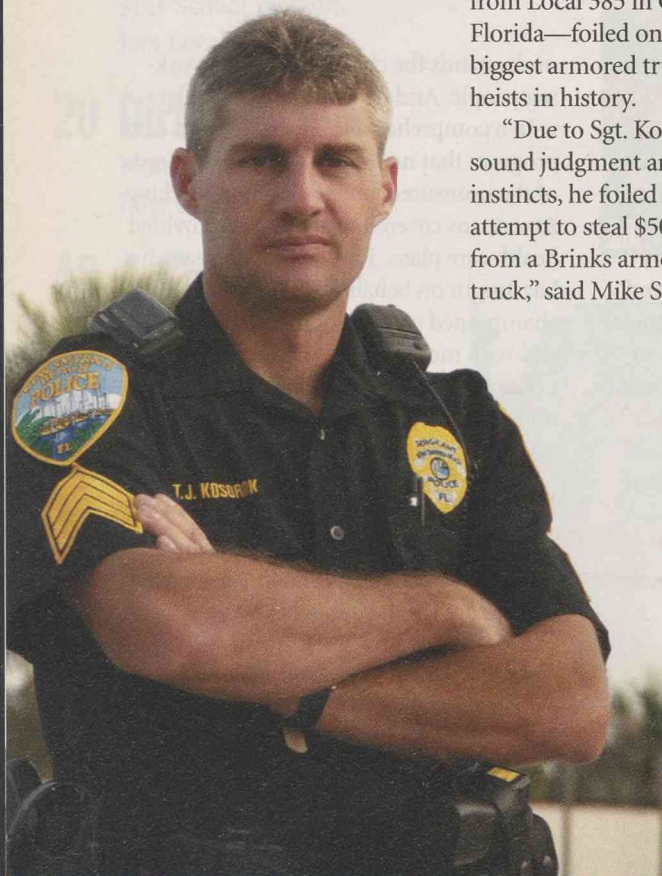
The Teamsters have spent 100 years fighting for justice for North American workers and their families. And during our century of struggle, we have built the most powerful union this country has ever known. Let's use that power to help our friends and hold our adversaries accountable.

Remember, United We Win!

James P. Hoffa

Teamster Foils Armored Car Heist

Local 385 Member Stops \$50 Million Brinks Job



When Sgt. John Kosorok woke up on Monday, July 21, he didn't expect to be a hero. But by the end of the day, Kosorok—a police officer from Local 385 in Orlando, Florida—foiled one of the biggest armored truck heists in history.

"Due to Sgt. Kosorok's sound judgment and police instincts, he foiled an attempt to steal \$50 million from a Brinks armored truck," said Mike Stapleton,

President of Local 385. "He not only prevented the money from being stolen but the men responsible were put in jail. We're very proud of him."

While on patrol, Kosorok spotted a Brinks armored truck parked on a dirt road. Something didn't seem right, so he decided to investigate. What he didn't know was—according to the FBI—those attempting the robbery were only 10 minutes away from success.

Tense Standoff

When he pulled up to the armored truck, he saw someone climbing into it and heard an alarm.

"I wanted to find out what was going on and as I was approaching the truck, the gun port opened next to my head," Kosorok said. "I already had a gun in my hand so I raised it, then I ran to the front of the truck."

He then took cover behind a telephone pole and used his radio to call for help. At that

point, five men in Brinks uniforms bailed out of a side door.

Kosorok didn't know the good guys from the bad guys at this point and ordered all of them to the ground. Still using the telephone pole for cover, Kosorok held them at gunpoint until backup arrived and secured the men—including a sixth who was later found in the truck.

Everyday Hero

The FBI and the Florida Department of Law Enforcement were able to determine that two of the men taken from the scene were responsible for the attempted robbery and released the others.

"I was just doing my job," Kosorok said. "Anyone could have run up on it happening. I just happened to be the one."

While he doesn't consider himself a hero, others certainly do.

"If not for his vigilance we might still be looking for these suspects," said Special Agent Jeff Westcott of the FBI.

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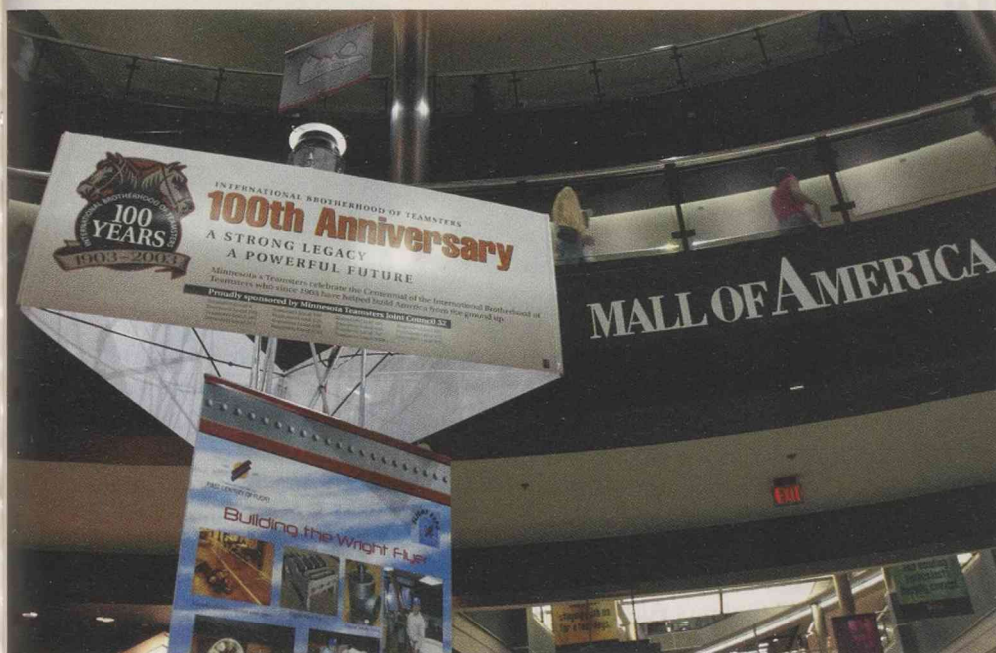
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Two Milestones, One Exhibit

Minnesota Honors Labor and Aviation

Two historic milestones are sharing the spotlight in Minnesota. 1903 was not only the beginning of the first Teamster Century, but also marked the Wright Brothers' first flight—marking the dawn of air travel.

Joint Council 32 has teamed up with the Minnesota First Century of Flight Committee to produce an exhibit about the history of both the Teamsters and aviation. The display is traveling all over the state.

"Knowledge of history is so important and to have such a highly visible display frequented by so many people—young and old—does a lot of good," said C. Thomas Keegel, Teamsters General Secretary-Treasurer and President of Minnesota's Joint Council 32. "The Teamsters portion of the

exhibit draws in people who wouldn't ordinarily be interested in the flight portion, and the flight portion draws in people who wouldn't usually care about Teamster history. It's a great match."

An Enthusiastic Response

The exhibit charts the progression of both the Teamsters and aviation technology from 1903 through the present. Minnesota Teamsters are also transporting the display to its various locations.

The exhibit was first displayed at the rotunda inside the Mall of America in Bloomington, Minnesota. The Mall of America is the largest mall in the United States and it is estimated that between 600,000 and 900,000 people pass through the mall every week, depending on the season. From there, it was moved to the Minneapolis Conven-



tion Center. It will also be displayed at an air show in Duluth, Minnesota and other locations.

"The public has shown an enthusiastic response to the display," Keegel said. "We hope to have that kind of response everywhere it is shown."



TEAMSTERS FLOCK TO LABOR DAY PARADE

Pittsburgh-Area Teamsters Show Solidarity at Nation's Largest Labor Day Parade

Teamster members and officers did Pittsburgh proud and flocked to the annual Labor Day Parade.

The country's largest Labor Day parade had more than 70,000 participants this year and more than 500 Teamsters took part from Joint Council 40 and Local Unions 249, 250, 585, 636 and 926. Local 926—with more than 200 members participating—had the largest Teamster contingent.

"It was great to see so many Teamsters come out to the event even though it was raining," said Charlie Byrnes, Secretary-Treasurer of Local 926.

The Gift Of Education

James R. Hoffa Scholarship Awards 75 Students

Thousands of students honored the memory of labor pioneer James R. Hoffa by applying for the scholarship that bears his name. The 75 scholarship winners will use the money to further their education, as well as the

legacy of the Teamsters.

"The Teamster tradition of assisting working families lives on through this scholarship," said James P. Hoffa, Teamsters General President. "My father would be proud to have his name associated with such an important cause."

Applicants compete in one of the five geographic regions where the Teamster parent or grandparent's local union is located. Twenty-five of the awards total \$10,000 each. Fifty of the awards are one-time grants of \$1,000.

Funding for the scholar-

ship program comes from the James R. Hoffa Memorial Scholarship Golf Tournament, donations and the sale of Teamster merchandise. Information on how to support the scholarship can be found on the Internet at www.teamster.org

JAMES R. HOFFA SCHOLARSHIP WINNERS

\$10,000 SCHOLARSHIP WINNERS:

Central

Michael Beckstrand, Local 974
Sherry Bullock, Local 52
Erik Lampe, Local 200
Dan Matheny, Local 688
Brian Turnbull, Local 486

Canada

Natalie Baye, Local 31
Jayce Bremner, Local 213
Tyson Jordan, Local 979
Jennifer Philpot, Local 31
Sarah Stroh, Local 31

Eastern

Kim-Lu Delguercio, Local 177
Craig Dukin, Local 177
Jennie John, Local 815
Jeffrey Latulippe, Local 102
Anna Leczcynski, Local 1150

Southern

Joseph Brooks, Local 991
Joseph Halverson, Local 657
Michael Loulan, Local 385
Timothy Thornton, Local 612
Lakesha Turner, Local 991

Western

Rory Alegria, Local 63
Adam Crum, Local 959
Kyle Malin, Local 959
Scott Ostler, Local 174
Kim-Van Truong, Local 439

\$1,000 SCHOLARSHIP WINNERS:

Central

Chelsey Bartels, Local 554
Hilary Brazeal, Local 554
Stephen Hill, Local 1164
Sarah Hillenbrand, Local 974
Christine Mastalio, Local 238
Courtney McCarty, Local 299
Katie Pokorny, Local 289
Michael Rubinstein, Local 400
Sarah Stoelb, Local 75
Andrea Stoneman, Local 695

Canada

Tracey Christofferson, Local 31
Shantel Keys, Local 31
Danielle Lyrette, Local 938
Kristy Merkl, Local 979
Jessica Platt, Local 132
Shayna Reid, Local 880
Anton Semechko, Local 132
Ava Shaw, Local 230
Abigail Syong, Local 213
Karen Tetzlaff, Local 880

Eastern

Maria Adelman, Local 707
Andrew Baum, Local 205
Carolyn Cook, Local 697
David DuPaul, Local 443
Matthew Krywyj, Local 830
Brian Morrissey, Local 122
Erin Murphy, Local 107
Carla Pool, Local 322
Crosby Sommers, Local 375
Jamie Yengel, Local 804

Southern

Mary T. Cox, Local 577
Kristen M. Crosby, Local 385
Jeremy P. Cummings, Local 79
Robyn W. Davey, Local 745
Destiny D. Mask, Local 577
Robin Moeckel, Local 988
Priscilla Monje, Local 745
Rosa Rodriguez, Local 390
Shellie D. Sullins, Local 480
Ashley L. Vaught, Local 327

Western

Jeff Armstrong, Local 17
Lindsey Beck, Local 206
Anthony Bell, Local 435
Estella Cisneros, Local 748
Amanda Dellens, Local 542
Emily Hawks, Local 483
Amanda Krause, Local 206
Elizabeth Kuhn, Local 542
Ariana Ward, Local 483
Matthew Young, Local 763



Easing Tensions

Local 435 Member Volunteers to Help Police, Residents

Each Friday night, Teamster Carlos Rojas rides along with the Aurora, Colorado police.

Rojas, a member of Local 435 in Denver, doesn't do it for the thrills—although sometimes he encounters some pretty exciting experiences. Rather, Rojas does it to help the men and women behind the badge and the community members they come into contact with.

Since January 2003, Rojas—a 31-year Teamster warehouse worker—has volunteered as an interpreter, helping police officers during their patrols in predominantly Spanish-speaking areas.

Giving Back to the Community

"It's important to help the police and to help community members who don't speak English very well. Many times that communication barrier causes problems. I'm there to ease the tension on both sides," said Rojas, a native of Chile.

In late September, Rojas and other volunteer interpreters who help the Aurora police were given "Colorado Cares" awards by the Governor's Office, recognizing their many hours of public service.

"Carlos is a great example of how Teamsters give back to their communities," said Steve Vairma, Secretary-Treasurer of Local 435. "We're proud to have Carlos as a member of our local, and the community is better off because of people like Carlos."

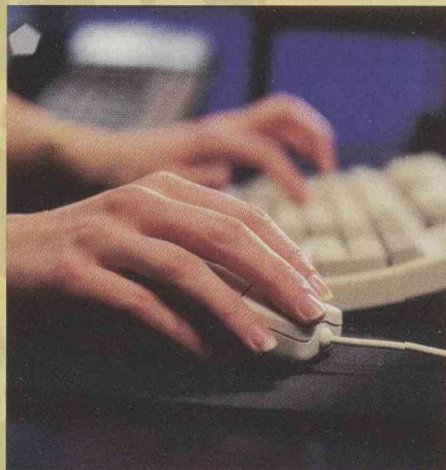
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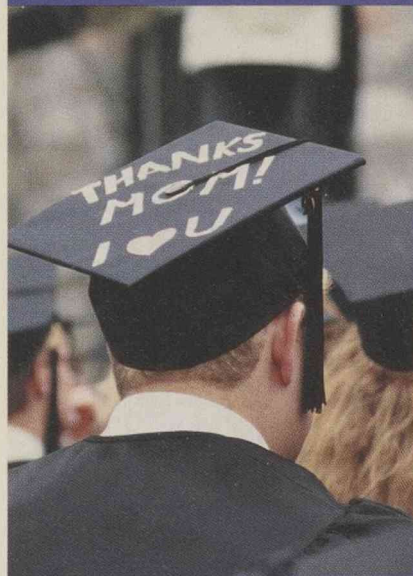
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TEAMSTER NEWS

Costco Teamsters Ratify Three-Year Contract

Workers Will Receive Wage Increases, Bonuses

By a 9-1 margin, Teamsters who work at Costco warehouses in four East Coast states have approved a three-year contract that provides increased wages, bonuses, a strengthened grievance procedure and other improvements.

"This contract maintains the Costco workers' status as the best paid workers in the retail industry," said Rome Aloise, an International Union Representative. "The contract also provides for a streamlined and improved grievance procedure, which is a big issue for workers who have disputes with the company. Also, Costco agrees to provide full-time jobs to 50 percent of the workforce—which is the best full-time worker ratio in retail."

3,500 Workers in Four States

The Teamsters Negotiating Committee—which included 26 shop stewards—reached a tentative agreement in late August, and a vote was held recently. The contract affects 3,500 workers at 16 warehouses in New York, New Jersey, Maryland and Virginia.

The contract includes:

- Bonuses ranging from \$4,000 to \$7,000 in the first year, depending on length of service;



- An hourly wage increase in the first year, retroactive to March 1, and an additional hourly wage increase effective October 1 of this year;
- Economic issues such as wages, benefits and bonuses will be revisited in the second and third years of the contract, pending Costco contract talks in California;
- A more efficient grievance procedure that will lead to quicker resolutions involving worker-management disputes;
- Additional vacation time, based on seniority;
- Preservation of seniority rights, and
- Increased afternoon break time from 10 to 15 minutes.

The Teamsters will soon begin contract negotiations for 12,000 members working in California Costco warehouses.

A Healthy Resolution

Local 100 Workers Win Important Arbitration

When a school district tried to shortchange the health insurance plan of its workers, the Teamsters stood up for its members and won.

A recent arbitration victory for bus drivers and transportation aides in Ohio protects the health insurance of more than 200 Local 100 workers at the Lakota School District.

Earlier this year, when the school district reduced the health care coverage of all Lakota School District workers by 30 to 40 percent, workers were stunned.

Lydia Combs, the Local 100 steward working with the

drivers and aides, filed a grievance on behalf of the members.

"I knew our contract was being violated," Combs said. "We weren't going to stand by and let that happen."

The grievance went to arbitration and the decision came back that the district had to revert back to the same plan when the contract went into effect.

A Powerful Message

As a result of the ruling, the district is responsible for any out-of-pocket expenses that members incurred because of the lack of coverage since January.



"This victory sends a powerful message," said Steve Scarth, a business agent with Local 100 in Cincinnati. "Major health insurance cuts like this won't be tolerated. They are anti-worker and they are anti-family."

The school district is a member of the Butler County Health Insurance Plan consortium, which provides health care insurance coverage to workers in all Butler

County schools. The Lakota School District is the sixth largest district in Ohio and the second largest transportation department in the state.

"As a result of this victory, we've even had some groups in the school district say they're taking a long, hard look at joining the Teamsters," Scarth said. "This victory shows that Local 100 is looking out for its members."

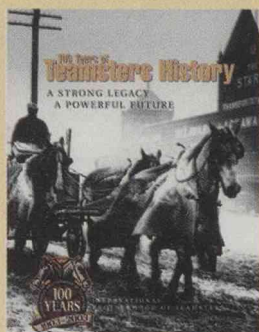
Teamster History Book Available

Own A Copy of "A Strong Legacy, A Powerful Future."

Celebrate the union's heritage with a history book just released by the Teamsters Union. It's more than a history of the Teamsters Union—it's a testament to the strength of the North American worker.

The book details the fascinating history of the International Brotherhood of Teamsters on its 100th anniversary. With chapters dealing with every aspect of the union and illustrated with hundreds of historical photos, the book will stand as a lasting testament to all the Teamsters have accomplished in the last century.

"For the Teamsters to be prepared for the future, we have to look to our past," said General Secretary-Treasurer C. Thomas Keegel. "This book is an important way to do that."



At the Teamsters 100-year anniversary celebration in September, Senator Hillary Clinton (D-NY) praised it as an "impressive book."

"This book...is a real testament to what this union has meant," Clinton said. "If you read this book, and I hope every one of you will, I hope you will take copies home and I will ask you to ask your members to read it, your friends, your neighbors — because it shows very clearly what it has meant to have a strong union filled with people who are defending the rights of workers for 100 years."

For more information or to order the 156-page, soft cover book, visit

<http://www.teamster.org/centennial.htm>

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Be Prepared

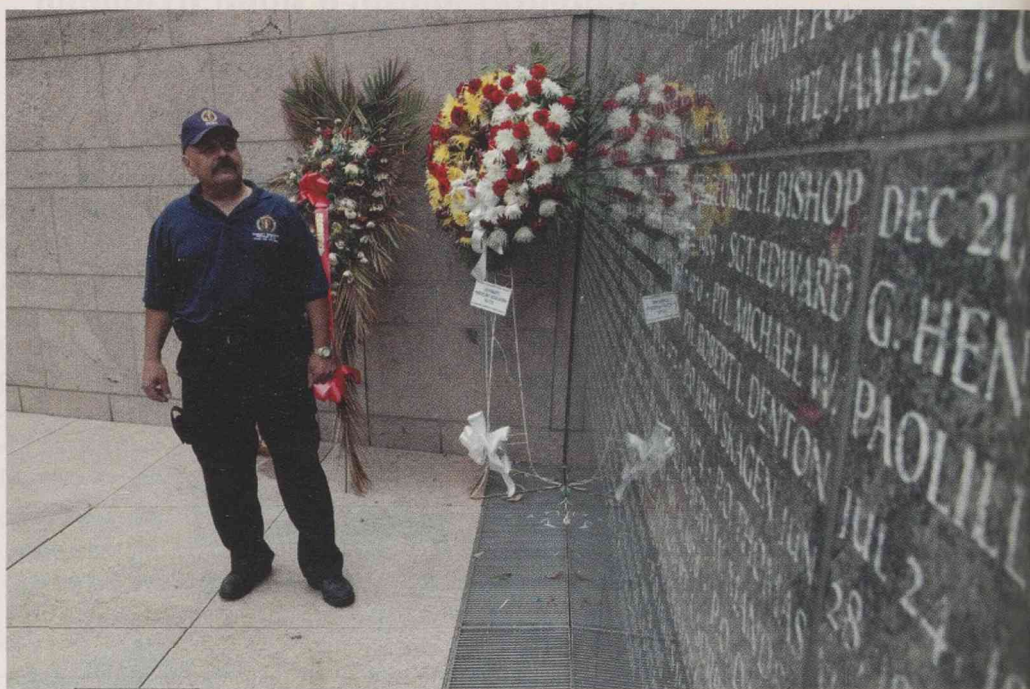
Teamster to Lead First Civilian Emergency Team in New York City

The lessons of September 11 continue to resonate with Teamsters — especially those who witnessed the destruction firsthand.

Peter Morici, a Teamster from Local 237 in New York City, was one of those affected by the tragedy and has done something about it. He is trying to keep about 77,000 members of the Battery Park neighborhood—one of the most affected by the attacks—prepared for another emergency.

“During the 9-11 attacks, all the Battery Park residents seemed to be forgotten,” said Morici, an evidence and property control specialist and auxiliary officer with the New York Police Department. “They were left out until that night, when they were told to evacuate. The next day, it came to light that people were still there.”

Morici decided that it should never happen again. In order to prevent such confusion in the future, he is in the process of creating a well-trained team — the first in the city — to cope with any future disasters that might endanger their community. The Battery Park City Neighbors and Parents Association is organizing the team and Morici is the perfect person to lead it.



Experienced and Decorated

Morici is an Air Force veteran who served in the Philippines and Vietnam and has spent 34 years as a NYPD auxiliary policeman. In that time, he has received 14 Medals of Valor, making him the most decorated auxiliary officer in department history. He has also been trained in the Certified Emergency Response Team (CERT) program being established at Battery Park.

The team, which will be made up of residents, is awaiting funding from the Federal Emergency Management Agency.

“We’ve got 60 people now,” he said. “It is a 21-hour course and it will take seven weeks for members to complete it. We will be teaching survival and disaster preparedness. We teach fire suppression, how to identify hazardous materials, CPR and medical triage.”

They will also discuss psychological techniques to aid both victims and their

rescuers in a crisis situation.

Morici will be teaching the classes for nothing and on his own time.

“This is just my off-

duty fun. I enjoy doing this,” Morici said. “I’ve always been community-oriented. I truly get pleasure from helping the community.”

Report Blasts Hospital Administrators in Nurses Strike

Local 406 Members Call on Management to Resume Negotiations

A Blue Ribbon report to Michigan Governor Jennifer Granholm has condemned hospital management for failing to resolve the 11-month-old strike by nurses who belong to Local 406 in Grand Rapids.

The nurses were forced out on strike after management at Northern Michigan Hospital in Petoskey failed to offer a fair, first contract in November 2002. The report released in late September cited the hospital board’s “intransigent and ideological position” for blocking progress.

Public Safety Threatened

The report states that complaints from patients and health care professionals—particularly in the area of infection control and

"Sí, Se Puede!"

Teamster Organizers Take Crash Course in Spanish

"Sí, se puede!" is the traditional cry of Spanish-speaking union activists. In English, it means, "Yes, we can!"

More and more Teamsters are learning what it means—particularly organizers who know the benefit of talking to potential members in their native language. Chicago-area Teamsters recently attended a Spanish language immersion class at the George Meany Center for Labor Studies in Silver Spring, Maryland.

"It was an amazing class," said Paul DiGrazia, a Local 705 organizer. "I got a lot out of it."

Union Advantage

Participants of the two-week class received more than 70 hours of instruction geared

toward union organizers and activists. Class size is kept small so students get more individual attention.

"Approximately 110 unionists from a wide range of unions and trades have completed the program," said Julie Mendez-de Leon, the instructor of the class.

Those attending the class begin speaking Spanish on the first day and are taught based on tasks and interactions that union activists and organizers routinely perform. Topics pertaining to organizing, health and safety, labor education and human rights are taught.

"It's no secret that Latino and Hispanic Americans are among the fastest growing segments of the working population in the U.S.," Mendez-de Leon said.

Expanding Demographic

According to the Bureau of Labor Statistics, the



Latino/Hispanic labor force is expected to reach an estimated 12.7 percent of the total labor force by 2008.

Rich Gierut, a Joint Council 25 organizer—who was bilingual before entering the class—said he had no problem picking up the Spanish that was taught.

"They say that once you learn a second language, a third is relatively easy. I already speak Polish so I had an advantage over others in the

class," he said. "I would recommend this class to anyone in organizing. They did such a great job teaching I'd even go back a second time. To go in and not have any knowledge about Spanish and come out being able to understand it, it's great."

For more information on the course, visit www.georgemeany.org/html/spanish_immersion.html

serious incidents involving patient care—warrant additional independent review.

In the wake of the report, officials with Local 406 called on hospital management to resume contract negotiations.

"The Teamsters Union is ready to move forward immediately to bargain with the Hospital, put the acrimony of the past behind us and start the healing that the community and its flagship hospital so sorely need," said Pat Burns, Local 406 President. "I am hopeful that Northern Michigan Hospital will also accept the findings and recommendations of the report, reverse course and join with us to begin a new chapter in labor relations at Northern Michigan Hospital."

Fight for Justice

General President Jim Hoffa said the issue is more than just a labor dispute.

"If there is anyone left in Petoskey with a doubt that the striking nurses at Northern Michigan Hospital are on the side of justice, fighting for quality health care and an appropriate voice in patient care, then this report should eliminate it," Hoffa said. "This situation in Petoskey is more than a labor dispute. It is a fight for quality health care and an important role for the community in the decisions that affect their lives. It is a fight to bring accountability to Boards of Trustees who oversee community assets."

"If there is anyone left in Petoskey with a doubt that the striking nurses at Northern Michigan Hospital are on the side of justice, fighting for quality health care and an appropriate voice in patient care, then this report should eliminate it"

— JIM HOFFA, GENERAL PRESIDENT



Blue Ribbon Panel Report To The Governor

September 2003

The Impact of The Labor Dispute at Northern Michigan Hospital on Health Care Services

A WINNING



TEAM

TEAMSTERS ENDORSE DICK GEPHARDT FOR PRESIDENT IN 2004

For the last 25 years, the Teamsters Union and the entire American labor movement have had no better friend in Congress than Representative Dick Gephardt (D-MO). And with the hard work and commitment of Teamsters throughout North America, President Gephardt will bring a sincere pro-worker voice to the Oval Office that hasn't been seen since the days of Franklin Delano Roosevelt.

"I'm proud of my longstanding record of fighting on behalf of working Americans," said Gephardt. "We need to restore our middle class to the prosperity they deserve. As President, I won't be satisfied until every family, not just the few, can share in the bounty of America."

From fights over unfair trade agreements to closing loopholes that let corporations aggressively fight workers' efforts to organize, Gephardt has stood on the side of working families every time. These issues are near and dear to Gephardt. His father was a Teamster milk truck driver in St. Louis and the power of a union contract helped raise a family with strong union values. Now Gephardt is running for President of the United States and has the power of 1.4 million Teamsters behind him.

"A Gephardt administration will always promote and support workers' rights to organize and form unions. As President, I will appoint a Labor Secretary who values the importance of labor unions and a NLRB that is worker friendly, not an impediment to organizing," said Gephardt. "The stakes could not be higher for the American worker."

Bush's Failed Policies

Gephardt's campaign is based on a pro-worker agenda while the Bush White House is doing all it can to alienate workers and attack their rights.

"President Bush is using the federal budget to diminish worker training programs while bolstering federal investigations into union practices. He is using regulatory laws to cut overtime pay, he is stalling ergonomics standards and he is promoting trade agreements that will lower wage and environmental standards across the globe," Gephardt said. "President Bush's policies have failed. He's taking our country and our economy in the wrong direction. At a time when the middle class is already under unprecedented economic pressure, his policies are worsening their difficulties."

The excitement surrounding the Teamsters' endorsement was clear as hundreds of members turned out for rallies in Michigan, Iowa and New Hampshire. General President Jim Hoffa and Gephardt attended all three rallies and were greeted by cheering Teamsters at every stop. The day began with a rally to

Gephardt On Labor Issues

Whether it's good jobs, fair wages or leveling the playing field for working families against big business, Dick Gephardt has defended the rights of working people on a host of issues including:



TRADE: Dick Gephardt unequivocally opposed trade agreements like NAFTA, Fast Track and China PNTR that create an unfair playing field for American workers.

MINIMUM WAGE: Dick Gephardt won passage of a minimum wage increase—during the first session of the Gingrich Congress.

RIGHT TO ORGANIZE: Dick Gephardt fought proposed "anti-salting" legislation. He supports the rights of workers to form unions.

DAVIS-BACON and STRIKER

REPLACEMENT: Dick Gephardt fought Republican efforts to repeal Davis-Bacon, and striker replacement rules.

HEALTH CARE: In addition to providing workers and their families with the security of guaranteed health insurance coverage, the Dick Gephardt health care plan will provide \$316 billion in economic stimulus over the first three years of the plan that will go directly into the pockets of workers.

"A Gephardt Administration will always promote and support workers' rights to organize and form unions."

—DICK GEPHARDT

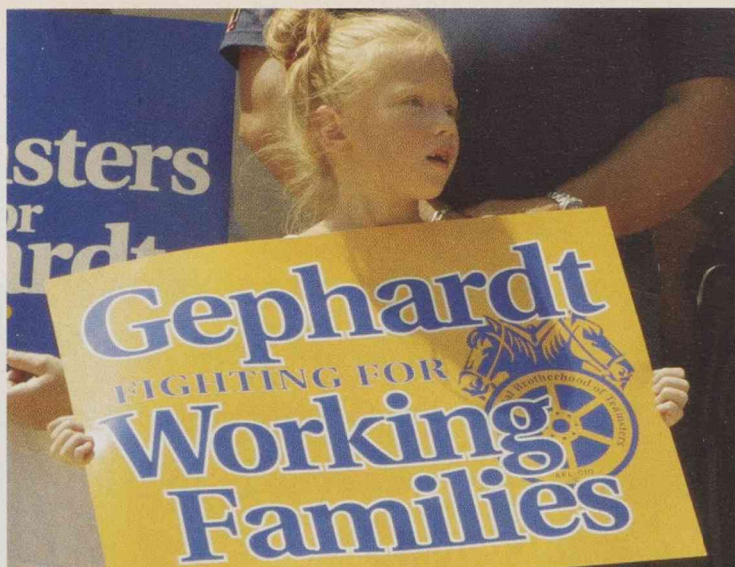
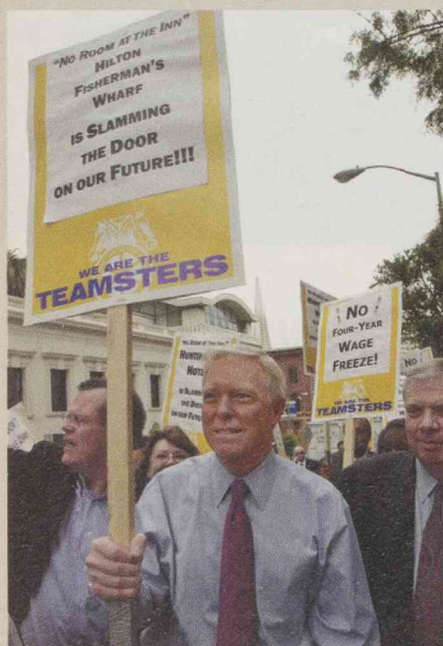
Working Together

Gephardt Rallies Hotel Workers in San Francisco

Actions speak louder than words and by joining San Francisco hotel workers at a recent contract rally, Representative Dick Gephardt is coming in loud and clear. Local 856 represents 200 front desk clerks, reservation agents, concierge and clerical workers at 16 hotels in the San Francisco Hotel Association.

These Teamsters have been working without a contract since the previous one expired on December 31, 2002. Negotiations have continued throughout the year but progress has been limited as the employers seek a wage freeze and other concessions.

Gephardt joined the workers at a rally and march in downtown San Francisco to draw public attention to their struggle. "Dick Gephardt picked up our sign and marched right along with our members," said Mike McLaughlin Sr., Local 856 Secretary-Treasurer. "Many politicians try to stay neutral in these contract battles but he showed whose side he's really on and he was proud of it."



"By staying united with Dick Gephardt we will win. I urge our brothers and sisters in the labor movement to join our cause."

— JIM HOFFA, GENERAL PRESIDENT

officially announce the endorsement at Joint Council 43 in Detroit.

"Dick Gephardt has proven by word and deed that he is by far the best candidate to represent the interests of America's working families," Hoffa told the cheering crowd in Detroit. "In his 27 years in Congress he has always led the fight on our behalf. We are proud to join him in this fight."

Support In Early Primary States

In Iowa, Hoffa and Gephardt energized members at Local 147 in Des Moines.

"Iowa Teamsters are particularly glad to endorse Dick Gephardt," said Ron McLain, Local 147 President and International Trustee. "We're going to make sure that the Teamsters play a large role in the upcoming Iowa caucuses and help elect a President who will stop the stream of jobs flowing out of the U.S."

The day ended with a raucous crowd in Manchester, New Hampshire. C-SPAN carried the rally live as Local 633 Secretary-Treasurer Dave Laughton drove Hoffa and Gephardt to the rally in a Teamster

truck. The crowd went wild as Laughton laid on the horn to announce their arrival.

"New England Teamsters are going to make a difference in this election," Laughton declared. "When you have a true friend of labor running for President, you have to make the most of the opportunity and that's exactly what we're going to do."

The Teamsters endorsement is a coveted prize in American politics. At all levels of government, the Teamsters provide support that is unparalleled in the labor movement. Members provide campaign help, turn out to vote and the political action committee DRIVE (Democrat, Republican, Independent Voter Education) provides much-needed resources for Teamster candidates.

The Clear Choice

Dick Gephardt has earned the support of working people, and labor is throwing its support behind his presidential bid. As of September, he had already been endorsed by 14 international labor unions.

The Teamsters endorsement is a

"When you have a true friend of labor running for President, you have to make the most of the opportunity and that's exactly what we're going to do."

—DAVE LAUGHTON, LOCAL 633 SECRETARY-TREASURER



responsibility that is not taken lightly. Extensive work is done to take the pulse of the union and ascertain if the membership wishes to grant a candidate its endorsement or withhold an endorsement altogether. The endorsement comes after extensive polling of union members. In addition to the polling, questionnaires were sent to all Democratic candidates that asked their positions on a variety of Teamster issues. The results of the questionnaires were sent to each local union. The General Executive Board voted unanimously for the endorsement after 95 percent of the local unions indicated that Gephardt was their choice.

"As the results of the polling and questionnaires came back, the choice was clear," said Mike Mathis, Teamsters Government Affairs Director. "We haven't had this type of broad support for a candidate in a long time. Our members and officers are excited about Dick Gephardt and want to do all they can to make him the next President."



Representative Dick Gephardt has been a tireless fighter for workers' rights in the United States. That's good for working families, but it also means that big business will support other, less worker-friendly candidates. The corporate bosses will make sure that their candidates have the financial resources necessary to run a national campaign.

Gephardt needs help from Teamster members. The union is already mounting a campaign to help turn out the vote in early primary states but there is more to be done. Each Teamster member can provide individual financial contributions to the Gephardt campaign in order to ensure that his pro-worker message is communicated to voters.

Think about it. There are almost three million Teamsters and Teamster family members throughout the country. Even the most modest of contributions can make a difference when added to the collective total. That's the strength of the union at its best. The average Teamster may not be able to match the average CEO's contribution, but in solidarity, Teamsters can raise the financial resources to even the scales.

"We have an opportunity to elect a true friend of working families," said Jim Hoffa, Teamsters General President. "By staying united with Dick Gephardt we will win. I urge our brothers and sisters in the labor movement to join our cause."

By working together, Teamsters can use their talent, time and yes—money, to elect Gephardt the President of the United States. To contribute to Dick Gephardt's campaign for President, visit www.DickGephardt2004.com

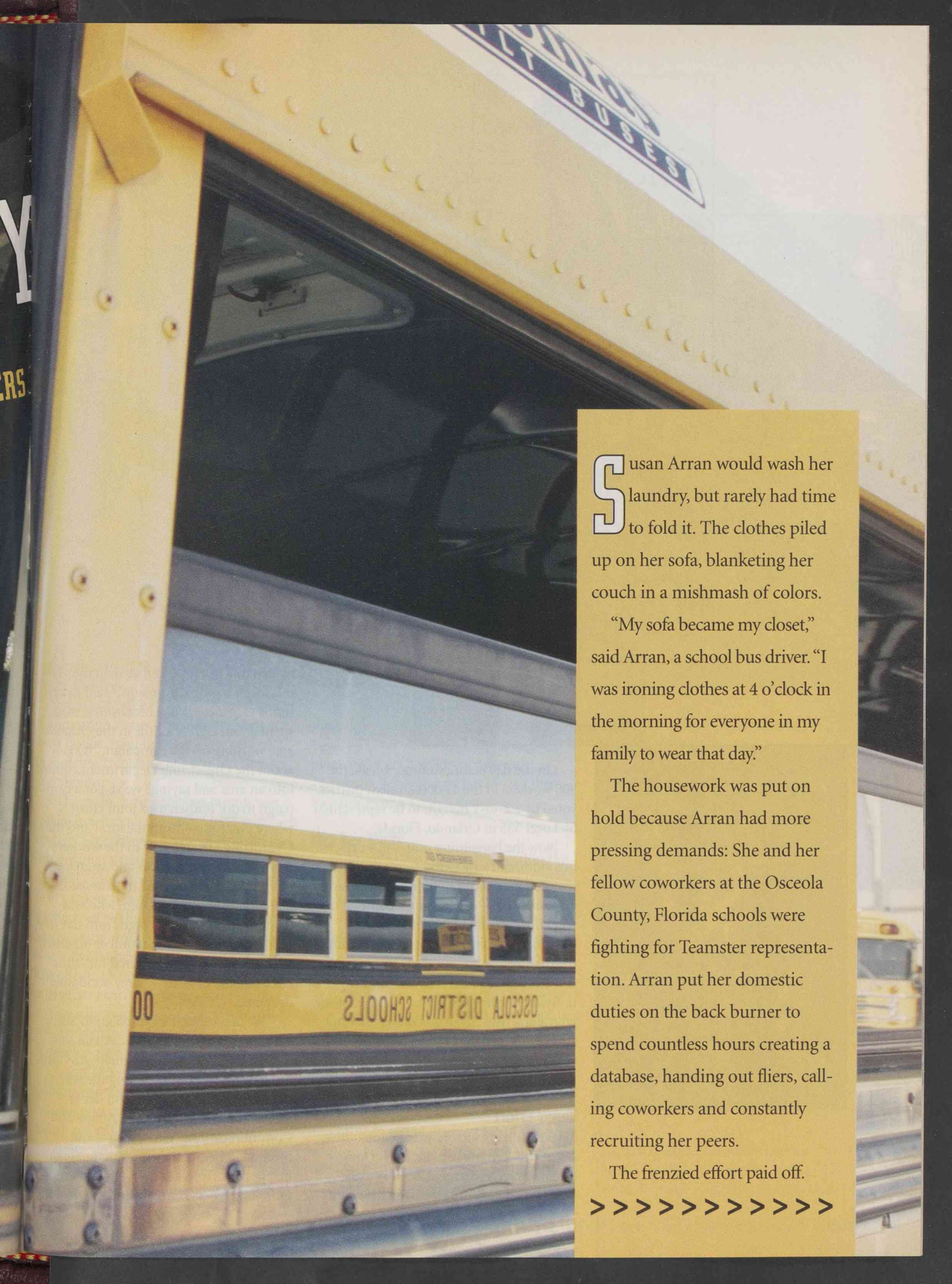
**You
Can Elect
the Next President
of the United
States!**

BACK TO SCHOOL — WITH DIGNITY

900 OSCEOLA COUNTY
SCHOOL DISTRICT WORKERS
JOIN LOCAL 385



Y
RS



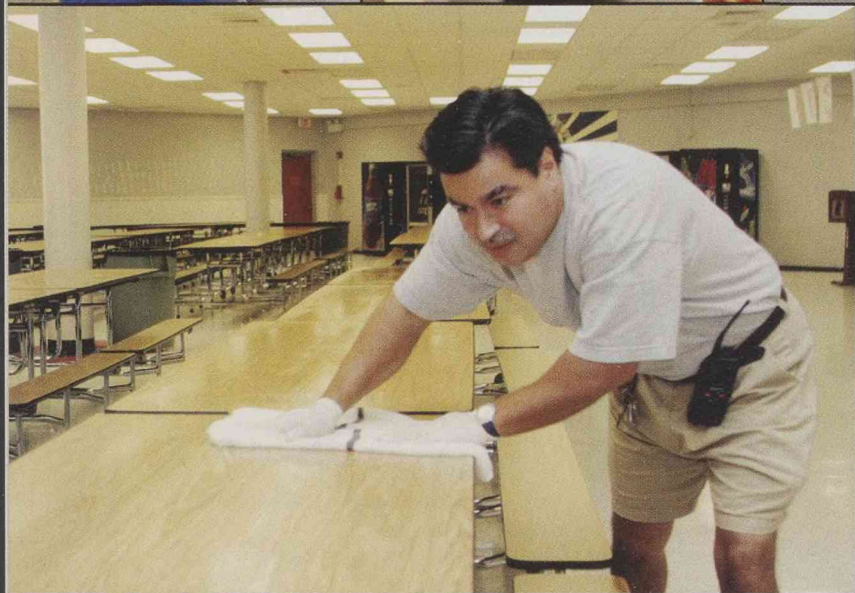
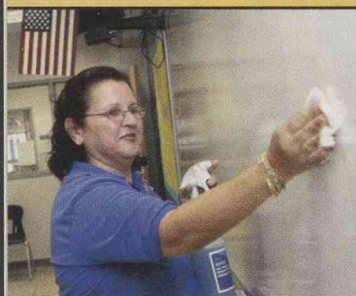
Susan Arran would wash her laundry, but rarely had time to fold it. The clothes piled up on her sofa, blanketing her couch in a mishmash of colors.

"My sofa became my closet," said Arran, a school bus driver. "I was ironing clothes at 4 o'clock in the morning for everyone in my family to wear that day."

The housework was put on hold because Arran had more pressing demands: She and her fellow coworkers at the Osceola County, Florida schools were fighting for Teamster representation. Arran put her domestic duties on the back burner to spend countless hours creating a database, handing out fliers, calling coworkers and constantly recruiting her peers.

The frenzied effort paid off.

>>>>>>>>>>>>>>>>



On the day before summer break, the 900 workers in the 41,000-student district voted by a 2-to-1 margin to be represented by Local 385 in Orlando, Florida.

Now the bargaining unit—bus drivers, bus aides, cafeteria workers, mechanics, maintenance and warehouse workers and custodial staff—are seeking a contract that will boost wages and benefits, end favoritism and provide the workers with the dignity and respect they deserve.

"I like the Teamsters because of their unity," said fellow bus driver Walter Crawley, who along with Arran was one of six workers who formed the original committee seeking representation. "We're all equal in the Teamsters. That's what I like about it."

Team Effort

The organizing victory was a cooperative effort between the International Union's Organizing Department and Local 385.

"The Organizing Department is com-

mitted to working together with the various locals to win campaigns," said International Organizer Mike McElmury, who spent about eight months in the Orlando area working on the campaign. "It's not about the Organizing Department coming into an area and saying, 'we've got a campaign to do.' Rather, it's a joint effort where everyone—from the local and the Organizing Department to the workers themselves—shares ideas and strategies."

McElmury was called in to assist Local 385 Organizer Roger Allain, who was involved with the campaign from day one. Allain started out as a volunteer organizer with Local 385, but was hired full-time after Organizer Sean Murray accidentally drowned.

"We dedicated the campaign to Sean, who was loved by everyone," Allain said.

The Organizing Department provided assistance and expertise along the way, as did other International Union departments, such as Government Affairs and Communications. Then, with about a month left before the election, the Organizing Department sent in about a dozen more organizers from around the country,



DEDICATED NOT INTIMIDATED

Management's Tactics Made Employees Stronger

Susan Arran and Walter Crawley were among a group of six Osceola School District workers who formed the original committee seeking Teamster representation, and the group faced many hurdles and challenges along the way.

But the workers remained fiercely committed.

When the group wanted to meet with their co-workers and peers to educate them about the Teamsters, district management thought they could put the workers in their place. Instead of allowing workers to use a vacant classroom or another suitable space, management put the worker/organizers in a closet as a way to hurt their morale.

In another instance, district leaders put them in a space across from the principal's office so that management could keep an eye on their activities, providing a chilling effect. The tactics didn't work. Instead, the district's strategy strengthened the workers' resolve.

"It just made us more steadfast," Arran said. "I had the feeling of 'don't tell me what I can't do.'"

Arran, Crawley and the other worker/organizers, Patsy Wilson, Charlie Walz, Donna Kidd and Rita Powell, remained dedicated throughout the campaign. They spent countless hours delivering fliers to schools in between their routes. They attended dozens of meetings, made scores of phone calls and didn't let up.

Arran and Crawley are currently focusing on the fight that's now under way—winning a strong contract. By doing so, they said they hope to convince the district's white-collar workers that they too should join the Teamsters.

The pair says the long battle for representation was well worth it. The school district needs to recognize the workers' worth.

"They tell us we're the best workers, but they don't want to pay us," Crawley said.

including those who speak Spanish, to ensure victory.

"We really pulled together a great crew of organizers, many of whom came in on short notice," said Rebecca Hanscom, the Organizing Department's Central Region Coordinator.

"The push during the last month was critical in winning the campaign," said Michael Murphy, Assistant Director of the Organizing Department and Special Counsel. "Our organizers coordinated visits to prospective members' homes, reached out to the large number of Spanish-speaking workers with bilingual organizers and launched a strong get-out-the-vote effort. These are strategies our department can offer to any local union that asks for our help. The earlier locals seek assistance, the better chance we have of developing a winning strategy."

"Local 385's leadership did a great job dedicating a full-time organizer to the campaign to get it into high gear," Murphy added, referring to Allain.

"Roger did a great job working on the campaign, and the Organizing Department was a big help. We are proud to welcome

these new members," said Mike Stapleton, Local 385 President. "The organizing campaign was a great victory for the workers, and we are now working hard to get them the strong contract that they deserve."

Worker Unity

In addition to the cooperation within the union, McElmury credited the unity of workers.

"The bottom line is these workers fought hard and they stuck together and that's what these campaigns are all about," McElmury said.

"The workers never gave up, even when the district was making it difficult for us to reach them. They stayed the course and remained committed to achieving justice in the workplace," Allain said.

Now, as workers fight for a contract, that unity is as strong as ever.

During a recent visit to Osceola schools with Allain, cafeteria worker Rosa Molina, a seven-year Osceola County School District employee, proudly dis-

played her Teamsters "Organizing for Power" T-shirt.

Molina, who works at Gateway High School, wants the new contract to provide higher wages and improved health insurance coverage. She also wants the district to spread out her salary so that she gets some pay during the summer, when the school is closed, similar to the way teachers are paid.

"The Teamsters are good at listening to our concerns," she said.

Molina's co-workers, Nancy White, Anna Jones and Carmen Torres agreed that higher wages and benefits are a priority, as well as a restructured pay system.

"Those three months without pay is very tough to pay bills," said Torres, a nine-year district employee who prepares food and works as a cashier. "If you have a family, it is very tough to get by during the summer."

José Coello, a custodian, said that in addition to higher wages, he wants the district to pay for a uniform so he doesn't

MULTI-PRONG ATTACK

Organizing Campaign's Depth Was Crucial to Success

In the old days, many organizing campaigns involved handing out fliers to workers as they left or arrived at the company gates.

Today's campaigns are more complex, and require in-depth strategies. The Osceola School District campaign reflects that reality.

Local 385's organizers did a great job building a base of support, but the campaign needed depth—something the International Union's Organizing Department is set up to provide.

The Organizing Department's strategies included:

■ **House visits/assessments** Trained organizers brought in by the Organizing Department met with workers at their homes and did assessments of the workers to gauge the workers' actual level of support. "We had to do that one-on-one with people outside of the workplace, where they are more comfortable," said Rebecca Hanscom, the Organizing Department's Central Region Coordinator. The effort helped identify 70 leaders who have been tapped to help with the contract campaign that is under way.

■ **Bilingual organizers** Because so many of the school district workers' first language is Spanish, the bilingual interpreters were critical to bridge the communication gap, and to break down cultural barriers.

■ **Get-out-the-vote campaign** Many steps were taken to increase voter participation. For example, building leaders were identified, and they were responsible for walking coworkers to the vote sites. Organizers also rented vans to pick up supporters and bring them to the sites. And at every site there was a supportive and positive Teamster presence.

■ **Charting of assessments** Five days prior to the election, the worker assessments were charted, which enabled organizers to know where weaknesses in support existed. That showed organizers where to focus their attention during the final, crucial days.

■ **Tapping Local 385 retirees** The local's retirees provided key support. Retirees helped make Teamster signs, posters and banners, and helped provide water coolers at vote sites. The retirees also helped with phone banks to garner support.

For more information about the Organizing Department's services, call (202) 624-8718 or visit www.teamster.org/organize/organize.asp

ruin his clothes. He said the school doesn't have enough custodians, and they often don't have the tools or two-way radios necessary for the job.

Retirement Concerns

The custodians at Kissimmee Middle School keep the state-of-the-art, six-year-old school in tip-top shape. While the district is concerned about keeping the school in good condition as it ages, workers said they wish district management cared more about them as they age.

"I want to see our retirement plans improve," said Rafael Rufino, a custodian at the school.

Rufino has to pay \$138 every two weeks toward health insurance coverage for himself, his wife and two children.

Rufino's coworkers—Ravely Southwell, Samuel Colon, Arlene Fairrow and JoAnne Hayden—agreed that health and

retirement benefits need to be improved. Hayden, like many other workers, is worried that the district has also begun subcontracting many of its services, jeopardizing jobs.

"The Teamsters are strong and they'll stand up for us," said Hayden, a 23-year district worker. "The outside contractors don't know the schools like we do. They aren't as responsible."

Hayden said it took her more than 20 years to reach the top rate of pay. In their upcoming contract negotiations, Rufino and Hayden would like to see the number of years to reach the top rate reduced as well as the hiring of more custodians.

Drivers, Mechanics Speak

Over at the district's modern transportation center, yellow buses zip in and out, providing a brief respite for the drivers serving Florida's fastest-growing school district.



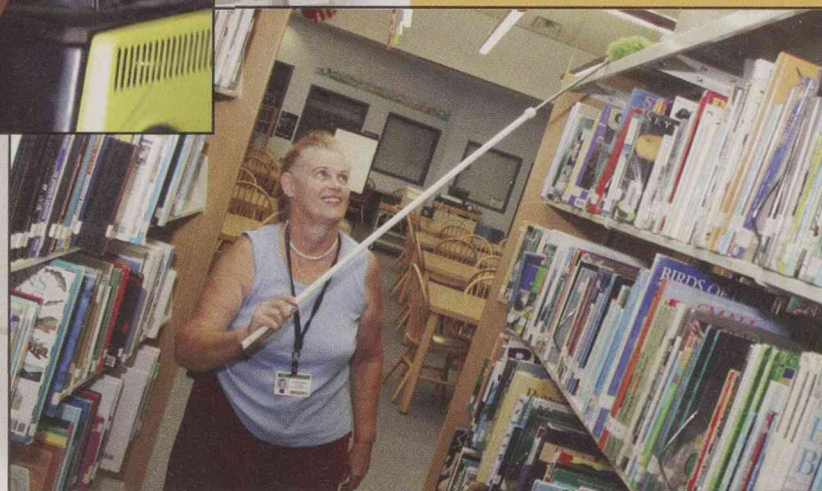
"We're not being treated properly as far as seniority is concerned, and regarding extra work assignments," said Charlie Walz, a bus driver, nine-year district employee and another member of the original organizing committee. "There's so much favoritism here. It doesn't matter what seniority you have. That's why it means so much to have the Teamsters behind us."

Wendell Parker, a bus mechanic, agreed that the new contract must address favoritism. He would also like to see job duties better defined.

"Right now we're also inspecting the buses. Inspectors should be inspecting the buses, not doing major repairs, and vice versa. They're making us do both, and we're the only county district that I know of that's required to do that," Parker said.

In the representation election, the Teamsters received 446 votes to 68 for the Osceola Classroom Teachers Association. Another 184 workers voted for no union.

"I'm glad the Teamsters won. They have the strength and the power to fight for us," Parker said.



Teamsters at Osceola Schools

The School District of Osceola County, Florida is growing by about 1,500 students each year, making it the fastest growing school district in Florida.

Serving the 41,000 students are 900 Teamsters. That includes:

- 275 bus drivers and bus aides;
- 275 custodians;
- 225 food service workers;
- 75 maintenance workers;
- 30 warehouse workers; and
- 15 mechanics.

"I've always worked in union shops and I know the strength of union representation," added Frank Ortiz, a mechanic and four-year employee. "When you work, you deserve consideration and respect and no harassment. The Teamsters can deliver for us."

"There's a lot of favoritism. I'd like to see the rules apply to everyone. The Teamsters can bring us fairness," said Sam Atkins, a 16-year mechanic.

Other 'Hot' Issues

At Gateway High School, Greg Tomlinson was braving the scorching sun, removing a motorized fan from an outdoor air conditioning unit. The sweaty task wasn't the only hot topic on the 14-year employee's mind.

"I'm concerned about our benefits. Our insurance is not what it was when I started here. I'm getting older and it's important to me. I'd like more job security and the security in knowing that my benefits are protected. The district is hiring more outside contractors to do our work. Those are projects we could have done. With outside

contractors, you don't get the same quality work or response time. We know the machines—we can get them up and running sooner," Tomlinson said.

At the district's warehouse, cleaning supplies and classroom equipment line the shelves. Workers such as Willie Cruz and John Hughes make sure the district's 45 campuses are fully stocked and ready to go.

"Like everyone else, we can really use higher pay and better benefits," said Cruz, taking a break from driving his forklift. "The district needs to review the jobs and pay what's appropriate. We work really hard here."

Over at the Discovery Intermediate School, custodian Hector Algarin is seeking job security.

"I joined the Teamsters to have a secure job. At some schools, they have a private cleaning company. You never know if you'll have a job," Algarin said.

"We need rules that protect us, clear job functions and rights on the job," added Joe DeSoto, another custodian. "That's why I voted for the Teamsters."



DIRTY

TEAMSTERS AND UNITE TAKE ON CINTAS



LAUNDRY



The Teamsters are joining forces with the Union of Needletrades, Industrial and Textile Employees (UNITE) to organize workers at Cintas—the largest uniform rental provider and industrial launderer in North America. The historic initiative between the two unions—called “Uniform Justice”—supports the Cintas workers’ efforts to earn a living wage and decent benefits.

UNITE represents more than 250,000 workers in North America, including more than 40,000 members in the laundry industry. The two unions represent more than one-third of the workers at industrial laundries in North America. The 17,000 workers at Cintas are paid substandard wages and drivers are cheated out of overtime pay. Resolve among Cintas workers is growing stronger now that the Teamsters and UNITE are teaming up to take on their employer.

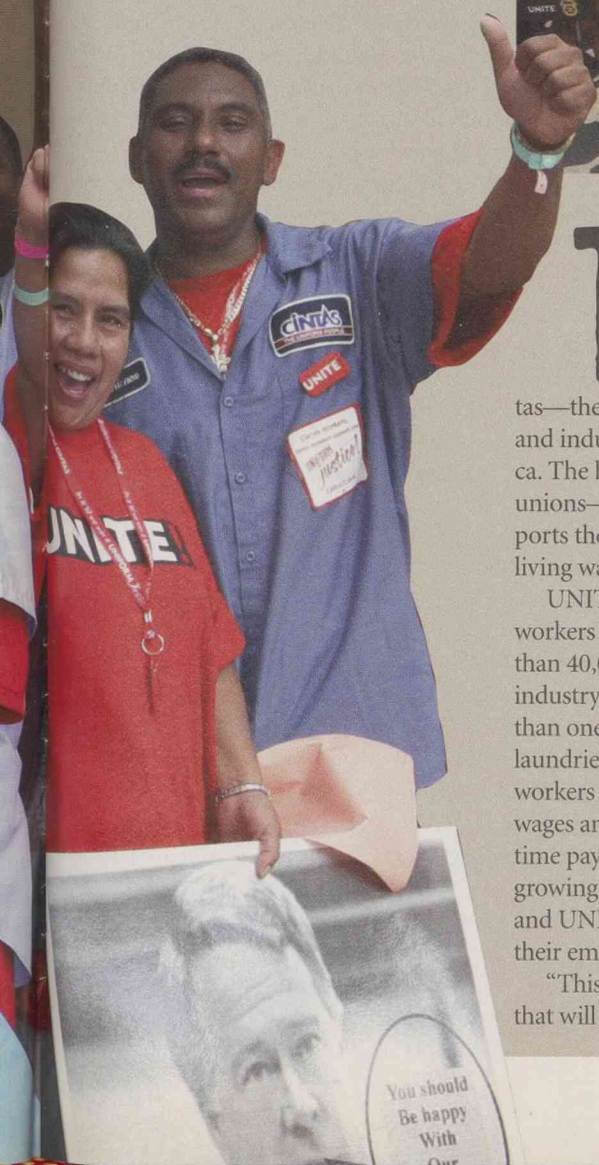
“This is a powerful partnership—one that will bring a high level of intensity and

visibility to the Cintas campaign and the plight of these workers,” said Teamsters General President Jim Hoffa. “We will take on corporate bullies like Cintas. The days of the company abusing its workers are over. This alliance is strong, and together, we will fight for these workers to achieve representation and fairness on the job.”

Union Partnership

Under the partnership between the Teamsters and UNITE, drivers who deliver Cintas products will organize with the Teamsters. Production workers in the Cintas laundries will organize with UNITE. This joint effort will create greater strength in the campaign for “Uniform Justice,” and signals a bold new Teamsters initiative to help more workers achieve a living wage, decent healthcare and a safer workplace.

“This is a great day for North American workers,” said UNITE President Bruce Raynor on July 25, the day the organizing campaign was launched in Chicago. “We



THE TEAMSTERS AND UNITE ARE HERE TO SAY 'NO MORE.' CINTAS WORKERS WILL ACHIEVE JUSTICE.

— JEFF FARMER, DIRECTOR OF ORGANIZING



may have different perspectives and history, but we are coming together to put an end to the disgraceful behavior of industry giant Cintas."

Cintas has been relentless not only in their persecution of union supporters but also in

cheating the very workers that make it profitable. Cintas reported profits of \$234 million last year alone.

Worker Abuse

"They call us 'partners' but they treat us terribly," said Santa Ana Ventura, a worker at Cintas' Bedford Park, Illinois facility. "We have no rights, no voice on the job and we are treated with no respect. I'm glad to know the Teamsters and UNITE will help us form a union, because we're sick of Cintas breaking the law and cheating workers."

The history of Cintas fighting its workers is a long and ugly one. It includes crushing new organizing attempts and undermining established unions at the company. The National Labor Relations Board has already issued 25 complaints against Cintas for committing violations against labor law.

Cintas is currently under investigation in the United States and Canada for more than 100 violations of federal labor law. Since the organizing began with UNITE in January 2003, Cintas has been illegally harassing, intimidating and firing workers for trying to form a union.

In March, Cintas drivers filed a national class action lawsuit alleging that their

employer intentionally refused to pay drivers up to \$100 million in overtime pay.

Ongoing Support

Since announcing this organizing campaign, the two unions and the Cintas workers have received tremendous support. In July, workers from a Cintas facility in Connecticut, U.S. Representatives Rosa DeLauro (D-CT) and Dennis Kucinich (D-OH), and Local 601 Secretary Treasurer Lucio Reyes joined the two union presidents at a press conference on Capitol Hill.

Representatives DeLauro and George Miller (D-CA) wrote a letter, which was signed by 89 other members of Congress. The letter was addressed to Cintas Corporation President Richard Kohlepp, urging him to negotiate in good faith with the company's workers.

The letter states that "As members of Congress, we are troubled by reports about how Cintas management has responded to its employees' efforts to organize a union," and states, "given the history of Cintas' conduct and communication with its employee partners, it would be to the benefit of Cintas employees if the unions and Cintas management agreed to a fair and expeditious process by which unionization can be determined."

Labor Day Rally

On Labor Day, the Teamsters joined workers at Cintas in calling for the respect and justice they deserve. Hundreds of Teamsters joined AFL-CIO President John Sweeney and Raynor at a Labor Day rally in Cincinnati.

"Companies like Cintas have no idea of the true meaning of Labor Day," said Teamsters Director of Organizing Jeff Farmer. "They exploit their workers and use any means necessary to thwart worker's efforts to organize. The Teamsters and UNITE are here to say 'no more.' Cintas workers will achieve justice."



Happy Birthday Teamsters!

Union Celebrates 100-Year Anniversary

At a landmark event befitting an organization celebrating a century of service, 4,000 members, retirees and friends of the International Brotherhood of Teamsters gathered on September 6 in Washington, D.C. for an afternoon and evening of reflection, high spirits and camaraderie.

"The Teamsters Union is a celebration of the finest qualities of the human spirit," said Jim Hoffa, Teamsters General President. "It has always been, and still is, a symbol of the need for working families to join together for a common purpose."

Substantial portions of the program were devoted to an overview of the Teamsters' first century, including recognition of the 18 locals celebrating their own centennials as well as a 45-minute video describing historical milestones. The 18 locals were recognized by remarks from General Secretary-Treasurer C. Thomas Keegel, and bestowed with a centennial charter and plaque for their achievements. The documentary video was introduced by four of the Teamsters oldest members from around the country: Wendel Kister, a member of Local 386 since 1933; T. Eddy Sheehan, a 50-year member from Local 25; Frank Alba, a Local 114 member since 1940; and John Donaldson, a member of Local 213 since 1947. These members were honored for more than 239 combined years of service to the union.

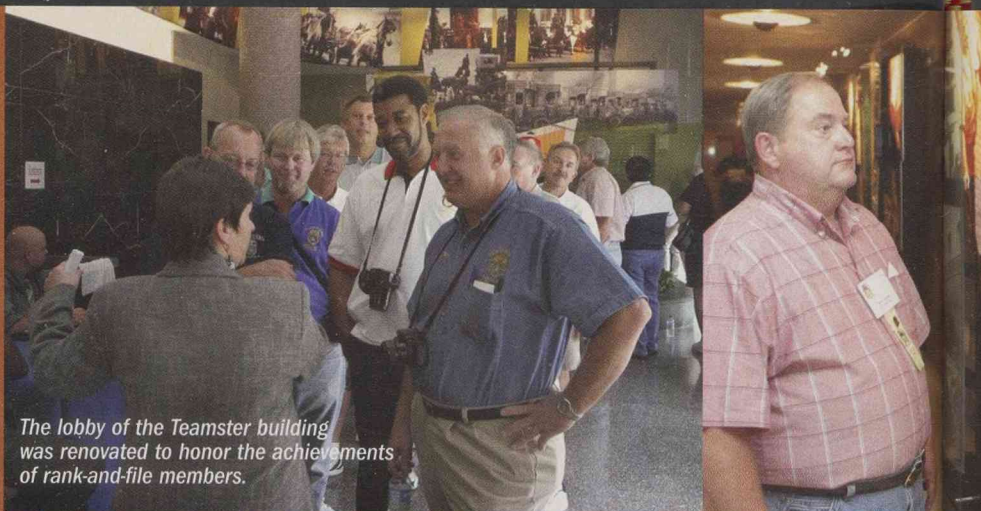
Visions for the Future

General President Hoffa shared his visions for the future of the union at the evening program and also had the pleasure of presenting Lifetime Achievement Awards to Walter Shea, Joseph Konowe, Louis LaCroix, Eula Cleveland, Edward Lawson and R.V. Durham for years of outstanding service to the union.

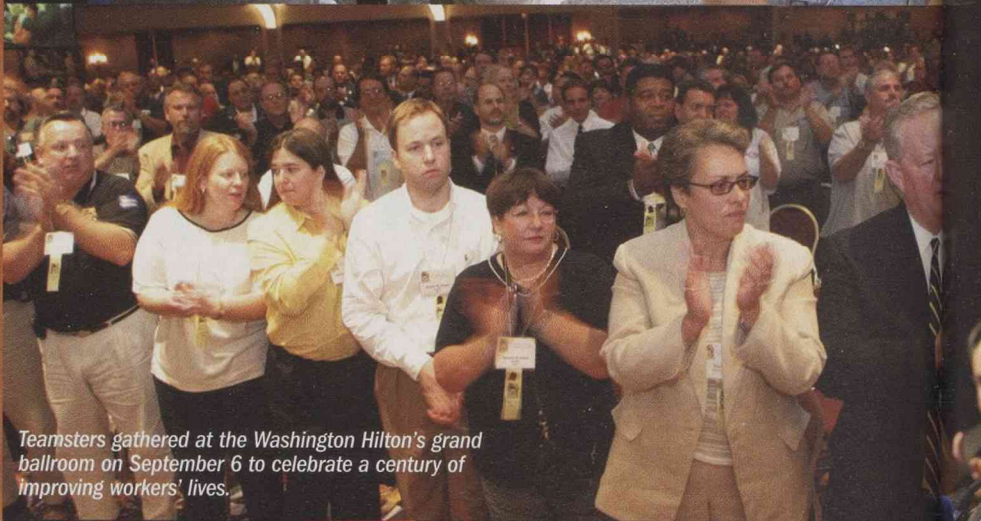
Representative Richard Gephardt (D-MO)—the union's endorsed candidate for U.S. President, former President Bill Clinton and Senator Hillary Clinton (D-NY) spoke forcefully on worker rights and the challenges facing American workers. Also speaking were Representative John Lewis (D-GA) and AFL-CIO President John Sweeney. The evening was capped with entertainment provided by singer Lee Greenwood.

"We have accomplished so much in 100 years," Hoffa said. "Let us remain mindful of the tasks ahead. Let us remain true to our union brothers and sisters. And let us remain united as we build a powerful future for all working families."

Anniversary festivities began on September 4 with guided tours of the International headquarters. Tours were held for any member wishing to participate and included exhibits portraying the achievements of Teamsters over the last century. The focus of the exhibit concentrated on the years of dedicated service that rank-and-file members have provided to the union and community at large.



The lobby of the Teamster building was renovated to honor the achievements of rank-and-file members.



Teamsters gathered at the Washington Hilton's grand ballroom on September 6 to celebrate a century of improving workers' lives.



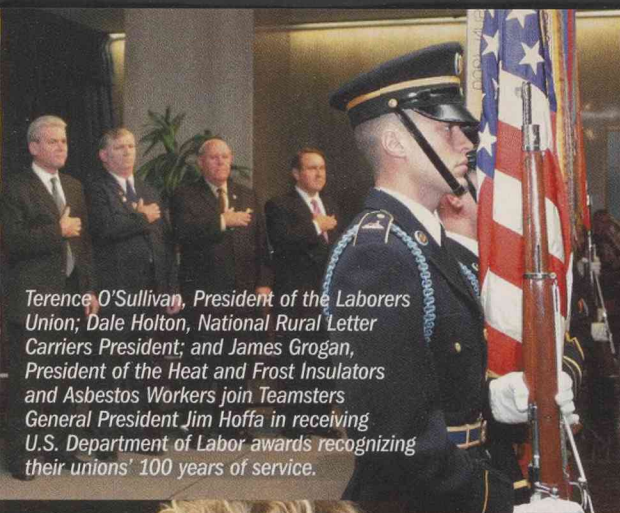
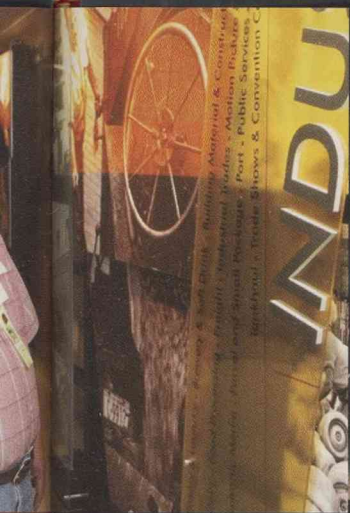
The festivities were capped with entertainment provided by singer Lee Greenwood.

Teamsters at the dinner event react to speeches by some of America's most ardent labor supporters.

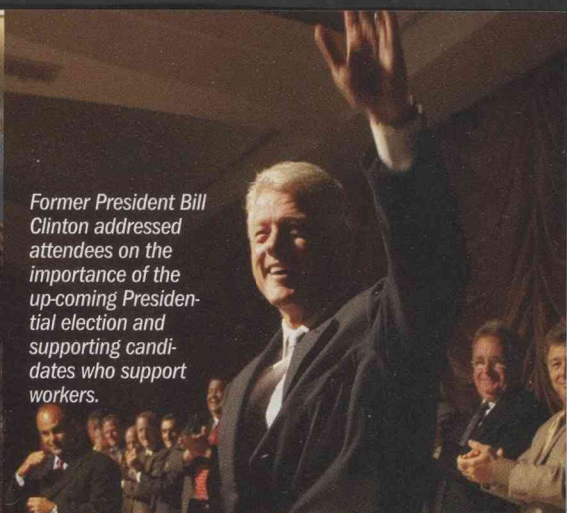


Teamster retirees were honored at the evening banquet.

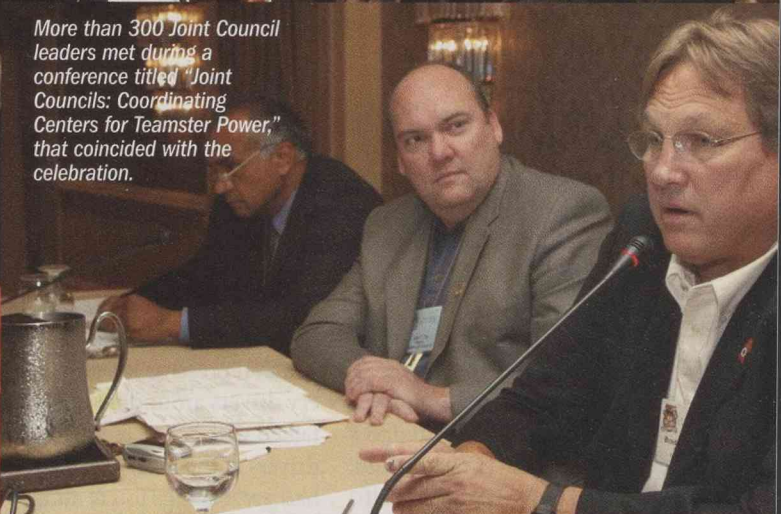
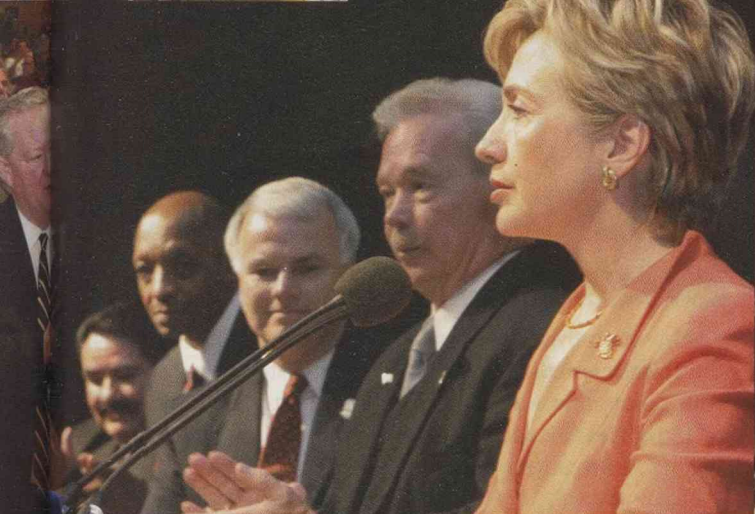




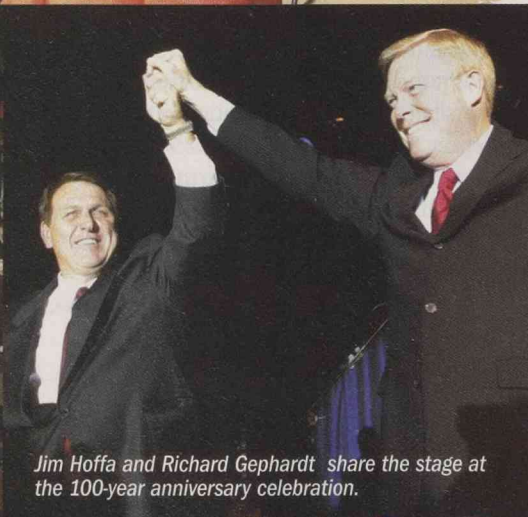
Terence O'Sullivan, President of the Laborers Union; Dale Holton, National Rural Letter Carriers President; and James Grogan, President of the Heat and Frost Insulators and Asbestos Workers join Teamsters General President Jim Hoffa in receiving U.S. Department of Labor awards recognizing their unions' 100 years of service.



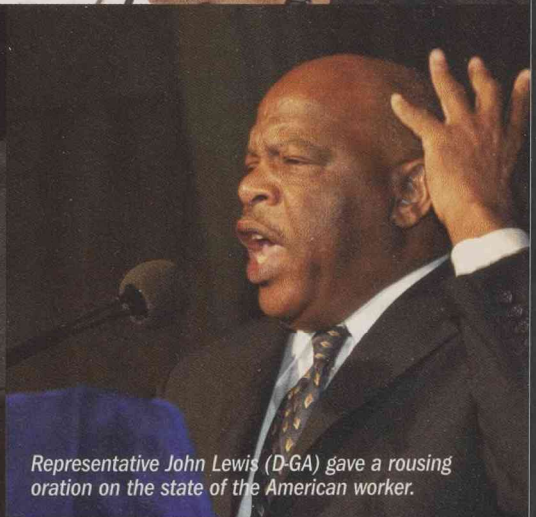
Former President Bill Clinton addressed attendees on the importance of the up-coming Presidential election and supporting candidates who support workers.



More than 300 Joint Council leaders met during a conference titled "Joint Councils: Coordinating Centers for Teamster Power," that coincided with the celebration.

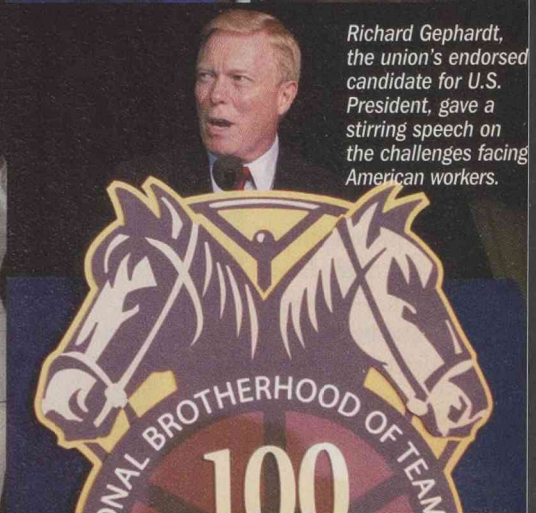


Jim Hoffa and Richard Gephardt share the stage at the 100-year anniversary celebration.



Representative John Lewis (D-GA) gave a rousing oration on the state of the American worker.

Teamster locals also reached the 100-year landmark and were honored for the achievement.



Richard Gephardt, the union's endorsed candidate for U.S. President, gave a stirring speech on the challenges facing American workers.

Glazing a Trail

Local 734 Organizes Chicago Krispy Kreme Drivers

Darien Perry has job security for two reasons. “One—because I’m a Teamster,” he said. “Two—because Krispy Kreme doughnuts are addictive.”

Perry is a driver for Krispy Kreme and recently enjoyed the sweet taste of victory when he and his coworkers voted to join Local 734 in Chicago. And at a company that prides itself on its commitment to serving the freshest and tastiest doughnuts in the world, workers are anxious to see a comparable level of commitment extended to them.

“The biggest issue with these workers was getting their employer to recognize seniority,” said Scott Kunz, an organizer for Local 734. “The drivers were really behind this thing. They worked hard for Teamster representation.”

A Century of Experience

The drivers voted by a three-to-one margin in favor of Teamster representation but more drivers—who will also be Teamsters—are being hired

as the company expands.

“Most of us in the unit are fairly new because Krispy Kreme just started up in this area,” Perry said. “We wanted the Teamsters because we know about their reputation—especially Local 734—which represents lots of bakery drivers around here. I’ve talked with other Teamster drivers at the local and they all had great things to say about the organization.”

Local 734 is uniquely qualified to represent the Krispy Kreme workers because of their experience. The local handles bakery drivers—nothing else—and it has been that way for 100 years. In fact, Local



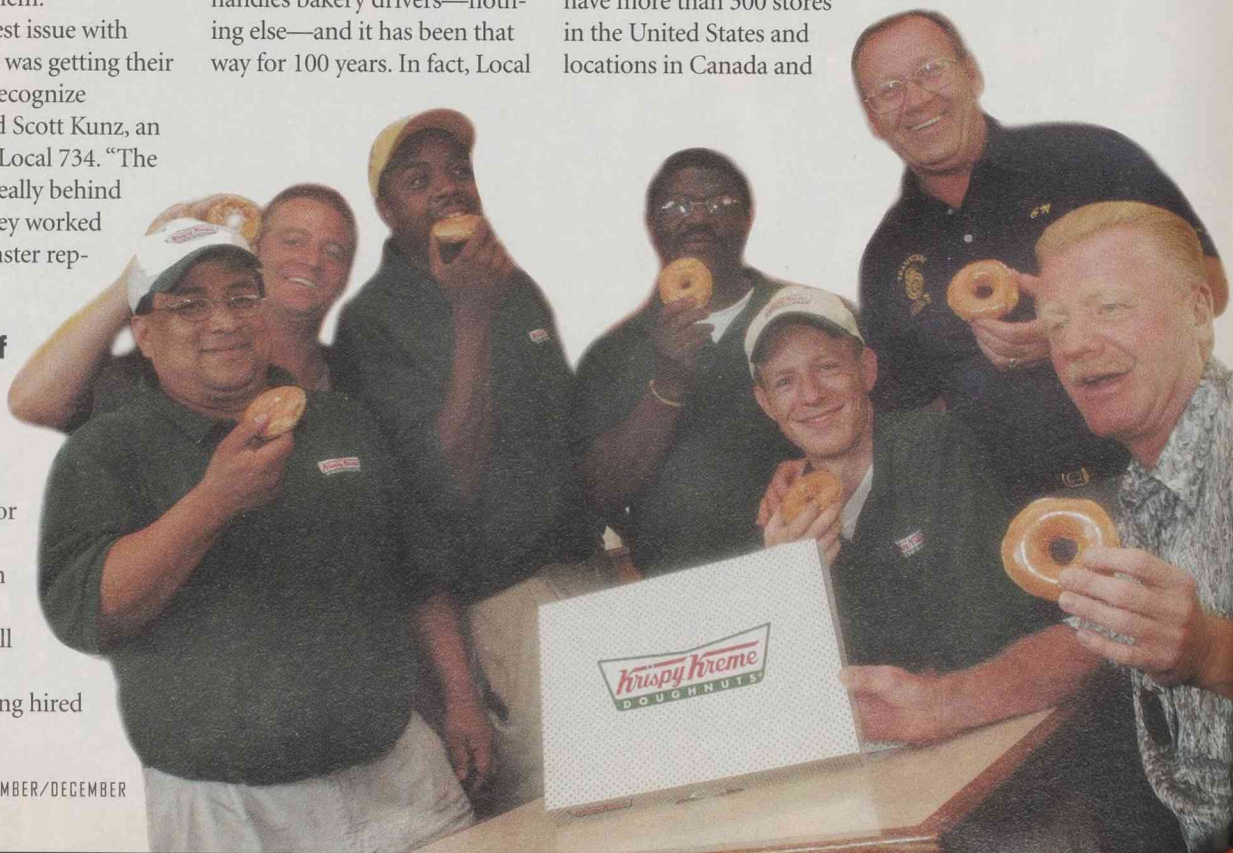
734 was recently honored at the Teamsters 100-Year Anniversary celebration as one of 18 100-year locals celebrating their own centennials.

Victory is Sweet

Krispy Kreme produces approximately 7.5 million doughnuts a day and more than 2.7 billion each year. They have more than 300 stores in the United States and locations in Canada and

Australia. It is not only one of the fastest-growing chains in the country, but some say their product is far better than any other brand.

“Krispy Kreme is much better than Dunkin’ Donuts,” Perry said. “Krispy Kreme is so addictive. People are never going to get sick of them.”



LOCAL 89

Longview Fibre

Fifty-three warehouse workers at Longview Fibre, a Bowling Green, Kentucky corrugated-box company, voted to join Local 89 in Louisville.

"The company campaigned long and hard against union representation, but our inside committee of employees continued to get the facts to their coworkers, ensuring a Teamster victory," said Fred Zuckerman, Local 89 President.

LOCAL 848

Coca-Cola

By a vote of 47 to 26, Coca-Cola merchandisers in Sylmar, California beat back management's challenge and won a rerun election for representation by Local 848.

"Our issue was the simple fact that we weren't being treated right, and we were going to put a stop to it," said Albert Cuellar, a member of the Organizing Committee during the campaign, which was coordinated with Joint Council 42 and the International Union's Organizing Department.

Although Local 848 earlier won an election by two votes, management challenges forced the rerun, which in turn widened the margin of victory to nearly two-to-one.

LOCALS 355, 570

Yellow Bus Company

The Teamsters won three elections in as many months at Yellow Bus Company in Maryland, bringing nearly 500 drivers and atten-

dants into the union's ranks.

By an 85-27 vote, Local 570 gained 194 members at the company's Jessup/Savage facility, then added 114 members in Baltimore. Another Baltimore unit of 150 voted 77-2 to join Local 355.

Local 570 Organizer Mo Jackson said that poor pensions, "outrageous" health insurance costs and overtime were among the factors contributing to the substantial vote margins.

JOINT COUNCIL 43

TNT Logistics

Fifty workers at a TNT Logistics warehouse in Temperance, Michigan now enjoy the benefits of Teamsters membership, thanks to card-check recognition by their employer.

Joint Council 43 Organizer Dan Dengel is leading negotiations for the first contract at the facility, which stores tires for major manufacturers. Eventually, as many as 250 Teamsters may be employed at the warehouse.

LOCAL 961

Ampco, PCA, Great Lakes Aviation

Local 961 in Denver has racked up several aviation-related organizing victories with huge winning margins.

Reversing a 2001 loss stemming from management's empty promises, more than 20 parking supervisors at Ampco System Parking at Denver International Airport voted by 70 percent to join the union.

At an off-site parking facili-

ty at the same airport, more than 30 workers at the Parking Company of America were organized with the assistance of Business Representative Matthew Fazakas and International Representative Ed Bagwell. The workers, who had gone eight years without a raise and saw their vacation time taken away, turned in a 91 percent "yes" vote.

Tired of having their wages cut and their workloads increased, 100 percent of voting flight dispatchers at Great Lakes Aviation joined the local through a Railway Labor Act election.

LOCAL 332

MATCO

More than 50 workers at MATCO, Inc., a Flint, Michigan production plant that paints auto parts, voted in favor of joining Local 332.

Management's poor treatment of workers and lack of respect, in addition to arbitrary work rule changes, poor pay and benefits were the main issues.

LOCAL 50

PFD

Workers at PFD of Lebanon, a food warehouse in Lebanon, Illinois, voted by nearly eight-to-one to join Local 50 in Belleville, Illinois.

"There was unity among the workers, and they wanted the rights and protections that the Teamsters provide," said John Green Sr., President of Local 50.

After 37 of the 47 workers signed authorization cards,

Local 50 petitioned for an election, which prompted the company to start an anti-union campaign. Workers then voted 39-to-5 to join the union.

"The fact that the Teamsters have strong national contracts really helped motivate the workers. They see what the union offers them," said John Green Jr., Local 50 Vice President.

LOCAL 486

Mid-Michigan Medical Center

Local 486 in Saginaw, Michigan, recently welcomed 35 nurses into the union after a representational election in which the Teamsters won by a two-to-one margin.

"The Teamsters Union will use every resource available, and do everything possible to obtain a contract that will provide this group with the dignity, respect and justice they deserve," said David Robinson, Secretary-Treasurer of Local 486.

The Mid-Michigan Medical Center nurses chose Local 486 after researching several other labor union organizations throughout Michigan and talking to nurses at various unionized hospitals in the state.

"This will serve as a leading example for other healthcare organizing campaigns across the state. It's important that we organize at these non-union facilities to secure the healthcare professionals' rightful place in the collective bargaining process," said Nina Bugbee, RN and President of Local 332, which together with Joint Council 43 assisted Local 486 in the campaign.

Auditor's Report Reflects Fiscal Progress

The Fiscal Year of 2002 proved to be a key turning point in ensuring the financial security of the International Union. With the dues and per capita tax restructuring adopted at the 2002 Special Convention, the International Union has made a significant financial rebound.

Consistent with actions taken at the Special Convention, funds are being set aside for a dedicated Strike and Defense Fund. In addition, funds have been designated for:

- Organizing activities as required by actions taken at the Special Convention;
- Allocations to pay for the 2006 Convention and Election of International Officers; and
- Repairs and renovations to the International Headquarters building.

I am confident that we have turned the finances of our Union around and are on the path to restoring the financial strength and integrity of this great

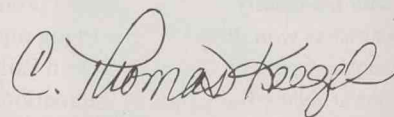
Union. We will remain vigilant stewards of our members' money.

The 2002 LM-2 Report and Audited Financial Statements do report negative net assets as of December 31, 2002, but that results exclusively from the recording of Pension Benefit Obligations and Post Retirement Benefits. The pension fund activity is directly tied to the stock market that was negatively affected by the events of September 11, 2001 as well as a three-year market slump. In fact, the International Union recorded no unfunded pension obligations in 2001—therefore, as the economy improves, the pension obligations will be reduced.

The Post Retirement Benefit obliga-

tion is an actuarially-based estimate that takes into consideration the current number of International Union employees and the cost of providing health and welfare benefits to them if they reach retirement status.

These technical accounting entries are required for compliance with Generally Accepted Accounting Principles and they do not accurately reflect the strong financial health of the International Union.



C. THOMAS KEEGEL
GENERAL SECRETARY-TREASURER

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LLC CERTIFIED PUBLIC ACCOUNTANTS

REPORT OF INDEPENDENT AUDITORS

Members of the General Executive Board
International Brotherhood of Teamsters

We have audited the accompanying consolidated statement of financial position of the International Brotherhood of Teamsters (the International Union) as of December 31, 2002, and the related consolidated statements of activities and cash flows for the year then ended. These consolidated financial statements are the responsibility of the International Union's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the International Union's management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the International Union as of December 31, 2002 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Novak Francella LLC

March 14, 2003

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International Brotherhood of Teamsters Consolidated Statement of Financial Position

DECEMBER 31, 2002

	GENERAL FUND	STRIKE AND DEFENSE FUND	HOFFA SCHOLARSHIP FUND	CIRCULATION FUND	TEAMSTER DISASTER RELIEF FUND	BENEFIT TRUST	ELIMINATIONS	TOTAL
ASSETS								
Cash and cash equivalents	\$ 18,774,952	\$ 5,425,934	\$ 781,807	\$ —	\$ 148,322	\$ 1,212,656	\$ —	\$ 26,343,671
Cash collateral held for securities on loan	1,553,136	—	—	—	—	—	—	1,553,136
Receivables, net								
Trade	13,770,026	—	1,356	—	—	554,620	—	14,326,002
Grants and contributions	324,449	—	—	—	—	—	—	324,449
Accrued investment income	226,195	—	—	—	—	—	—	226,195
Securities sales pending settlement	3,597,687	—	—	—	—	—	—	3,597,687
Due from related entities	42,249	—	—	—	—	—	(23,574)	18,675
Inventories	396,412	—	6,011	—	711	—	—	403,134
Prepaid expenses	690,986	—	—	—	—	—	—	690,986
Investments								
First trust notes — affiliates	3,618,069	—	—	—	—	—	—	3,618,069
Other	27,293,380	—	1,098,319	—	—	—	—	28,391,699
Property and equipment, net	9,322,015	—	—	—	—	—	—	9,322,015
Security deposits and other	113,651	—	24,939	—	—	6,931	—	145,521
Total assets	\$ 79,723,207	\$ 5,425,934	\$ 1,912,432	\$ —	\$ 149,033	\$ 1,774,207	\$ (23,574)	\$ 88,961,239
LIABILITIES AND NET ASSETS								
Liabilities								
Accounts payable and accrued expenses								
Trade	\$ 11,119,520	\$ —	\$ 352,105	\$ —	\$ —	\$ 157,737	\$ (23,574)	\$ 11,605,788
Securities purchases pending settlement	6,810,527	—	—	—	—	—	—	6,810,527
Liability to return collateral for securities on loan	1,553,136	—	—	—	—	—	—	1,553,136
Loans payable	565,000	—	—	—	—	—	—	565,000
Accrued pension costs								
Retirement and Family Protection Plan	22,320,430	—	—	—	—	—	—	22,320,430
Teamster Affiliates Pension Plan	59,033,498	—	—	—	—	—	—	59,033,498
Accrued postretirement health care benefits cost	42,582,098	—	—	—	—	—	—	42,582,098
Total liabilities	143,984,209	—	352,105	—	—	157,737	(23,574)	144,470,477
Net Assets								
Unrestricted	(65,790,959)	5,425,934	1,560,327	—	149,033	1,616,470	—	(57,039,195)
Temporarily restricted	1,529,957	—	—	—	—	—	—	1,529,957
Total net assets	(64,261,002)	5,425,934	1,560,327	—	149,033	1,616,470	—	(55,509,238)
Total liabilities and net assets	\$ 79,723,207	\$ 5,425,934	\$ 1,912,432	\$ —	\$ 149,033	\$ 1,774,207	\$ (23,574)	\$ 88,961,239

See accompanying notes to consolidated financial statements.

International Brotherhood of Teamsters Consolidated Statement of Activities

YEAR ENDED DECEMBER 31, 2002

	GENERAL FUND		STRIKE AND DEFENSE FUND	HOFFA SCHOLARSHIP FUND		CIRCULATION FUND	DISASTER RELIEF FUND	BENEFIT TRUST		
	UNRESTRICTED	TEMPORARILY RESTRICTED	UNRESTRICTED	UNRESTRICTED	TEMPORARILY RESTRICTED	UNRESTRICTED	UNRESTRICTED	UNRESTRICTED	ELIMINATIONS	TOTAL
REVENUE AND OTHER SUPPORT										
Per capita and initiation fees	\$ 101,963,155	\$ —	\$ 7,056,107	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 109,019,262
Grants and contributions	2,021,378	940,327	—	—	—	606,553	18,674	5,000	(606,553)	2,985,379
Special fund raising events	—	—	—	1,443,957	—	—	—	—	—	1,443,957
Affinity program	891,612	—	—	—	—	—	—	1,605,379	—	2,496,991
Investment income, net	(1,536,508)	—	—	55,443	—	—	—	3,970	—	(1,477,095)
Sales of supplies, net	5,661	—	—	23,066	—	—	9,120	—	—	37,847
Loss on disposal of property and equipment	(5,155)	—	—	—	—	—	—	—	—	(5,155)
Forgiveness of debt	2,695,000	—	—	—	—	—	—	—	—	2,695,000
Other	678,938	—	—	—	—	—	—	199,801	—	878,739
Net assets released from restrictions	765,700	(765,700)	—	45,000	(45,000)	—	—	—	—	—
Total revenue	107,479,781	174,627	7,056,107	1,567,466	(45,000)	606,553	27,794	1,814,150	(606,553)	118,074,925
EXPENSES										
Program services										
Member services										
Communications, magazine and public relations	9,902,607	—	—	—	—	—	—	—	—	9,902,607
Financial assistance to affiliates	378,293	—	—	—	—	—	—	—	—	378,293
Industry trade division and relations	20,093,623	—	—	—	—	—	—	—	—	20,093,623
Out-of-work benefits	2,752,106	—	1,630,173	—	—	—	—	—	—	4,382,279
Research, education and training	10,474,017	—	—	—	—	—	—	34,000	—	10,508,017
Retiree relations, scholarships and other	122,072	—	—	485,377	—	—	—	113,879	—	721,328
Organizing	7,969,178	—	—	—	—	—	—	—	—	7,969,178
Other	10,441,638	—	—	—	—	754,969	275,838	—	(606,553)	10,865,892
Affiliation fees	11,922,025	—	—	—	—	—	—	—	—	11,922,025
Government affairs	9,931,395	—	—	—	—	—	—	—	—	9,931,395
Legal and litigation	14,036,852	—	—	—	—	—	—	—	—	14,036,852
Civil RICO	3,496,252	—	—	—	—	—	—	—	—	3,496,252
Convention	986,145	—	—	—	—	—	—	—	—	986,145
Total program services expenses	102,506,203	—	1,630,173	485,377	—	754,969	275,838	147,879	(606,553)	105,193,886
Supporting services										
Administration and governance	8,128,403	—	—	71,563	—	1,234	1,136	49,801	—	8,252,137
Fund raising	—	—	—	587,683	—	—	—	—	—	587,683
Total expenses	110,634,606	—	1,630,173	1,144,623	—	756,203	276,974	197,680	(606,553)	114,033,706
CHANGE IN NET ASSETS	(3,154,825)	174,627	5,425,934	422,843	(45,000)	(149,650)	(249,180)	1,616,470	—	4,041,219
Net assets										
Beginning of year	4,730,206	1,355,330	—	1,137,484	45,000	149,650	398,213	—	—	7,815,883
Teamster Affiliates Pension Plan	(67,366,340)	—	—	—	—	—	—	—	—	(67,366,340)
End of year	\$ (65,790,959)	\$ 1,529,957	\$ 5,425,934	\$ 1,560,327	\$ —	\$ —	\$ 149,033	\$ 1,616,470	\$ —	\$ (55,509,238)

See accompanying notes to consolidated financial statements.

International Brotherhood of Teamsters Consolidated Statement of Cash Flows

YEAR ENDED DECEMBER 31, 2002

	GENERAL FUND	STRIKE AND DEFENSE FUND	HOFFA SCHOLARSHIP FUND	CIRCULATION FUND	TEAMSTER DISASTER RELIEF FUND	BENEFIT TRUST	ELIMINATIONS	TOTAL
CASH FLOWS PROVIDED BY (USED IN)								
OPERATING ACTIVITIES								
Cash received from								
Affiliated conferences, joint councils, and local unions	\$ 96,339,044	\$ 7,056,107	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 103,395,151
Investment income	1,477,361	—	55,443	—	—	3,970	—	1,536,774
Other revenue and reimbursements	6,166,943	—	1,448,228	606,553	32,614	1,248,629	(606,553)	8,896,414
Net cash received	103,983,348	7,056,107	1,503,671	606,553	32,614	1,252,599	(606,553)	113,828,339
Cash disbursed to								
Service providers, suppliers, vendors and others	(66,027,783)	—	(736,690)	(756,203)	(277,685)	(39,943)	606,553	(67,231,751)
AFL-CIO and other labor organizations	(10,431,566)	—	—	—	—	—	—	(10,431,566)
Affiliated conferences, joint councils and local unions	(20,471,916)	—	—	—	—	—	—	(20,471,916)
Members for benefits under Strike Benefit Assistance Program	(2,752,106)	(1,630,173)	—	—	—	—	—	(4,382,279)
Net cash used	(99,683,371)	(1,630,173)	(736,690)	(756,203)	(277,685)	(39,943)	606,553	(102,517,512)
Net cash provided by (used in) operating activities	4,299,977	5,425,934	766,981	(149,650)	(245,071)	1,212,656	—	11,310,827
CASH FLOWS PROVIDED BY (USED IN)								
INVESTING ACTIVITIES								
Proceeds from sale or redemption of investments	59,060,399	—	781,584	—	—	—	—	59,841,983
Purchase of investments	(60,881,256)	—	(827,146)	—	—	—	—	(61,708,402)
Purchase of fixed assets	(1,357,202)	—	—	—	—	—	—	(1,357,202)
Proceeds from sale of fixed assets	10,000	—	—	—	—	—	—	10,000
Payment of loans by affiliates	1,240,288	—	—	—	—	—	—	1,240,288
Loans to affiliates	(110,000)	—	—	—	—	—	—	(110,000)
Net cash used in investing activities	(2,037,771)	—	(45,562)	—	—	—	—	(2,083,333)
Net increase (decrease) in cash	2,262,206	5,425,934	721,419	(149,650)	(245,071)	1,212,656	—	9,227,494
CASH AND CASH EQUIVALENTS								
Beginning of year	16,512,746	—	60,388	149,650	393,393	—	—	17,116,177
End of year	\$ 18,774,952	\$ 5,425,934	\$ 781,807	\$ —	\$ 148,322	\$ 1,212,656	\$ —	\$ 26,343,671
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES								
Change in net assets	\$ (70,346,538)	\$ 5,425,934	\$ 377,843	\$ (149,650)	\$ (249,180)	\$ 1,616,470	\$ —	\$ (63,325,121)
Net depreciation of investments	2,776,553	—	—	—	—	—	—	2,776,553
Loss on disposal of fixed assets	5,155	—	—	—	—	—	—	5,155
Forgiveness of debt	(2,695,000)	—	—	—	—	—	—	(2,695,000)
Bad debt expense	—	—	45,000	—	—	—	—	45,000
Depreciation expense	2,552,029	—	—	—	—	—	—	2,552,029
(Increase) decrease in assets								
Receivables	(4,228,692)	—	(1,356)	—	—	(554,620)	—	(4,784,668)
Inventories	771,791	—	(6,011)	—	(711)	—	—	765,069
Prepaid expenses	37,497	—	18,913	—	—	—	—	56,410
Deferred pension cost	8,332,842	—	—	—	—	—	—	8,332,842
Security deposits and other	279,148	—	(17,439)	—	4,820	(6,931)	—	259,598
Increase (decrease) in liabilities								
Accounts payable and accrued expenses	288,903	—	350,031	—	—	157,737	—	796,671
Accrued pension costs	61,185,288	—	—	—	—	—	—	61,185,288
Accrued postretirement health care benefits cost	5,341,001	—	—	—	—	—	—	5,341,001
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$ 4,299,977	\$ 5,425,934	\$ 766,981	\$ (149,650)	\$ (245,071)	\$ 1,212,656	\$ —	\$ 11,310,827

See accompanying notes to consolidated financial statements.

International Brotherhood of Teamsters Notes to Consolidated Financial Statements

DECEMBER 31, 2002

NOTE 1. NATURE OF OPERATIONS

The International Brotherhood of Teamsters (the International Union) is one of the largest labor unions in North America with a membership representing a variety of industries and trades. The primary source of revenue is per capita taxes paid by local unions.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

METHOD OF ACCOUNTING - The financial statements have been prepared using the accrual basis of accounting in accordance with U.S. generally accepted accounting principles.

CONSOLIDATION AND FUND ACCOUNTING - The consolidated financial statements include the accounts and activities of the International Union and related entities under the International Union's control. For purposes of presentation in the consolidated financial statements and in accordance with requirements set forth in its Constitution, the International Union reports its accounts and activities in the following funds:

GENERAL FUND - Provides for the ongoing activities of the International Union not specifically carried out by any other fund. The General Fund also includes the consolidated accounts of the Teamsters National Headquarters Building Corporation, a for-profit corporation formed to be a title holding corporation for the International Union's headquarters building. All significant intercompany account balances have been eliminated in consolidation. Included in the General Fund is the Public Services Assistance Fund. This fund provides assistance to public employees whose contracts do not entitle them to strike benefits. Also included in the General Fund are funds designated for organizing activities. Ten percent of per capita tax received by the International Union, excluding the amount received for members in Teamsters Canada, is designated for organizing activities.

STRIKE AND DEFENSE FUND - The Strike and Defense Fund was created in 2002 to support members engaged in collective action to obtain recognition, obtain and/or protect wages and benefits through the negotiation of collective agreements, enforce collective bargaining agreements, and/or members who have been locked out by their employers. The Strike and Defense Fund replaced the Defense Fund, which was terminated during 2002. The assets and liabilities of the Defense Fund were assumed by the General Fund.

Fifteen percent of per capita tax received by the International Union, excluding the amount received for members in Teamsters Canada and members employed in the public sector who do not have the legal right to strike, shall be transferred to the Strike and Defense Fund.

HOFFA SCHOLARSHIP FUND - The Hoffa Scholarship Fund represents the accounts and activities of the James R. Hoffa Memorial Scholarship Fund, Inc., a related organization under the International Union's control. The Fund was incorporated in November 1999 and began operations in January 2000 for the purpose of awarding scholarships to dependents of union members in order to enable the recipients to attend accredited post-secondary educational institutions. The funding for scholarships is provided by voluntary contributions to the Fund and the net proceeds of annual fund raising events. The number of recipients and the amount of the scholarship award or awards are determined by the directors. As a form of financial assistance to the Hoffa Scholarship Fund the International Union provides facilities and administrative, accounting and clerical assistance.

CIRCULATION FUND - The Circulation Fund represents the accounts and activities of the Circulation Fund Labor Management Cooperation Committee, Inc. (CF/LMCC), a related organization under the International Union's control. CF/LMCC is organized as a labor-management cooperation committee under the Labor Management Cooperation Act of 1978, between the International Union and the Detroit Newspapers to improve labor management relationships, job security and organizational effectiveness. The Circulation Fund was terminated during 2002.

TEAMSTER DISASTER RELIEF FUND - The Teamster Disaster Relief Fund represents the accounts and activities of the Teamster Disaster Relief Fund, a related organization under the International Union's control. The Fund was incorporated in September 1992 and began operations in 1992 for the purpose of providing monetary and non-monetary relief directly or indirectly to members or their beneficiaries who are victims of hurricane, flood, earthquake, fire, accident or other disaster. Funding is provided by voluntary contributions and the net proceeds of fund raising activities. The directors determine the number of recipients and the amount of aid. As a form of financial assistance to the Disaster Relief Fund, the International Union provides facilities and administrative, accounting and clerical assistance.

BENEFIT TRUST - The Benefit Trust represents the accounts and activities of the International Brotherhood of Teamsters Benefit Trust, a financially inter-related organization

under the International Union's control. The Trust was established in 2001 to serve as a vehicle for the coordination and funding of numerous health and welfare and educational programs for the benefit of members and their families. The Trust is funded through insurance and royalty income derived from various agreements with outside vendors.

CASH AND CASH EQUIVALENTS - Cash and cash equivalents consist of amounts held in demand deposit and money market accounts.

INVENTORY - The International Union maintains an inventory of supplies for resale to local unions and individual members. Inventory is stated at cost which approximates the selling price of items held.

INVESTMENTS - Investments are reported at their aggregate fair value. The fair value of investments in common and preferred stocks, corporate bonds, mutual funds, U.S. Government and Government Agency securities are determined by quoted market prices. Investments in certificates of deposit are valued at cost plus accrued interest, which approximates fair value.

PROPERTY AND EQUIPMENT - Property and Equipment are carried at cost. Major additions are capitalized while replacements and repairs that do not improve or extend the lives of the respective assets are expensed. Depreciation and amortization expense is computed using the straight line method over the following estimated useful lives of the assets:

Building and improvements.....	39 years
Data processing equipment	5 years
Office equipment and capitalized software.....	3-10 years
Furniture and fixtures	10 years
Automobiles	5 years

CANADIAN CURRENCY - The International Union maintains checking and savings accounts in Canada as well as the United States. For financial statement purposes, all assets are expressed in U.S. dollar equivalents.

Canadian currencies included in the consolidated statement of financial position are translated at the exchange rates in effect on the last day of the year. Unrealized increases and decreases due to fluctuations in exchange rates are included in the consolidated statement of activities.

Funds received and disbursed in Canada are stated in U.S. dollars based on average exchange rate in effect during the year when reported in the revenue and expenses included in the consolidated statement of activities.

USE OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS - The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

FINANCIAL PRESENTATION - The International Union's financial statements present its net assets, revenues, expenses, gains and losses, classified between unrestricted, temporarily restricted, and permanently restricted based on the existence or absence of donor-imposed restrictions.

NOTE 3. TAX STATUS

The International Union is exempt from federal income taxes under Section 501(c)(5) of the Internal Revenue Code, except on any income derived from activities unrelated to its exempt purpose.

Income taxes on net earnings are payable by the Teamsters National Headquarters Building Corporation pursuant to the Internal Revenue Code. All operating costs of the Corporation are fully reimbursed by the International Union resulting in no net income or loss. Accordingly, no provision has been made for federal income taxes.

NOTE 4. TRADE RECEIVABLES

Trade receivables consist of the following at December 31, 2002:

Per capita and initiation fees	\$ 12,297,024
Unsecured notes receivable	802,113
Unsecured loans receivable	750,000
Affinity program	554,620
Other	672,245
	<u>15,076,002</u>
Less allowance for doubtful accounts	(750,000)
	<u>\$ 14,326,002</u>

NOTE 5. UNINSURED CASH BALANCES AND INVESTMENT CONCENTRATIONS

The International Union maintains its cash accounts primarily with banks located in Washington, D.C. The total cash balances are insured by the Federal Deposit Insurance Corporation up to \$100,000 per bank. The International Union has cash balances on deposit at December 31, 2002 that exceed the balance of FDIC insurance coverage by approximately \$22,500,000.

The International Union also maintains cash at a Canadian financial institution, which is insured up to \$60,000. As of December 31, 2002, the International Union's cash in the Canadian financial institution in excess of insurance coverage totaled approximately \$1,900,000 in Canadian dollars (\$1,300,000 U.S. Dollars).

Investments held by the Hoffa Scholarship Fund include certificates of deposit in the amount of \$1,098,319 that are all invested with the same financial institution.

NOTE 6. GRANTS AND CONTRIBUTIONS RECEIVABLE

Amounts due under grant agreements with the U.S. Government totaled \$324,449 and are due to be received within one year.

NOTE 7. INVESTMENTS

The fair value and cost of investments held by the International Union at December 31, 2002 is summarized below:

	Fair Value	Cost	Fair Value of Securities on Loan	Net Fair Value of Securities on Hand
Common stock	\$ 10,039,788	\$ 11,488,612	\$ —	\$ 10,039,788
Preferred stock	81,439	83,614	—	81,439
Convertible bonds	334,906	314,744	—	334,906
Corporate bonds	9,248,508	9,373,411	—	9,248,508
Government agency securities	6,136,098	5,989,409	(110,577)	6,025,521
Certificates of deposit	1,098,319	1,098,319	—	1,098,319
U.S. Treasury securities	1,452,641	1,437,734	(1,410,049)	42,592
	<u>\$ 28,391,699</u>	<u>\$ 29,785,843</u>	<u>\$ (1,520,626)</u>	<u>\$ 26,871,073</u>

Investment income for the year ended December 31, 2002 consisted of the following:

	General Fund	Hoffa Scholarship Fund	Benefit Trust	Total
Interest and dividends	\$ 1,431,702	\$ 55,443	\$ 3,970	\$ 1,491,115
Net realized and unrealized gain(loss) on investments	(2,776,553)	—	—	(2,776,553)
Investment expenses	(191,657)	—	—	(191,657)
	<u>\$ (1,536,508)</u>	<u>\$ 55,443</u>	<u>\$ 3,970</u>	<u>\$ (1,477,095)</u>

NOTE 8. INVESTMENTS IN FIRST TRUST NOTES

The International Union provided loans to affiliates for purchase or development of real estate. These loans are secured by the real estate and are carried at their unpaid principal balance of \$3,618,069. No allowance for uncollectible accounts was deemed necessary as of December 31, 2002.

NOTE 9. PROPERTY AND EQUIPMENT

Property and equipment held by the International Union consists of the following as of December 31, 2002:

Data processing equipment	\$ 10,510,695
Headquarters building	13,617,852
Equipment	3,599,777
Furniture and fixtures	1,120,161
Land - headquarters	794,117
Leasehold improvements	30,954
Automobiles	139,434
Computer software	2,406,496
	<u>32,219,486</u>
Less accumulated depreciation	<u>(22,897,471)</u>
Net property and equipment	<u>\$ 9,322,015</u>

Depreciation expense for the year ended December 31, 2002 was \$2,552,029.

NOTE 10. THE TEAMSTER AFFILIATES PENSION PLAN

The Teamster Affiliates Pension Plan (the "Plan") provides defined benefits to eligible officers and employees of the International Union's affiliates. The International Brotherhood of Teamsters reports in accordance with Statement of Financial Accounting Standards No. 87, (SFAS No. 87) "Employer's Accounting for Pensions." Contributions to the Plan are made by the International Union based on the advice of consulting actuaries.

Effective October 31, 1994, the General Executive Board elected to curtail the Plan effective December 31, 1994, thus freezing benefits for most participants at the then accumulated level. Effective January 1, 1995, the Fund was amended to allow the affiliates to contribute on behalf of their employees. For those participants whose local unions continued to contribute, benefits were not frozen until December 31, 2001.

Effective as of January 1, 2002, no additional retirement or other benefit will be accrued under this Plan by any participant of the Plan. Any participation agreement which may have been submitted by an affiliate to, and accepted by, the Trustees of this Plan at any time on or after January 1, 1995 shall be terminated effective as of January 1, 2002 and no contribution shall be accepted by the Trustees from an affiliate on behalf of a participant employed by that affiliate with respect to any period of time beginning on or after January 1, 2002.

No individual who is initially employed by an affiliate on or after January 1, 2002 shall be eligible to become a participant of the Plan. No compensation that is received by a participant of the Plan with respect to any period of time beginning on or after January 1, 2002 shall be considered to be the earnings of that participant for purposes of the Plan. Any periods of credited service and/or vesting service earned by a participant on or after January 1, 2002 shall continue to be used to determine the eligibility of that participant to receive a retirement or other benefit under this Plan but shall not be used to determine the amount of any retirement or other benefit which that participant may otherwise be entitled to receive under this Plan.

In computing net periodic pension costs as of January 1, 2002 to be recognized for the year ended December 31, 2002, the consulting actuary used the following assumptions:

Discount rate	6.75%
Average rate of compensation increases	N/A
Expected return on plan assets	8.00

The information on benefit costs for the year 2002 as determined by the actuary, is as follows:

Benefit cost	\$ (12,082,030)
Employer contributions	—
Plan participants' contributions	—
Benefits paid	50,060,288

In computing the funded status of the Plan as of December 31, 2002, the consulting actuary used the following assumptions:

Discount rate	6.75%
Average rate of compensation increases	N/A
Expected return on plan assets	8.00

The funded status of the Plan as of December 31, 2002, as determined by the actuary, is as follows:

Benefit obligation	\$ (555,915,452)
Fair value of plan assets	<u>496,881,954</u>

Funded status	<u>\$ (59,033,498)</u>
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When the International Union first adopted SFAS No. 87, a net asset was established to the extent fund assets exceeded the projected benefit obligations. The transition asset is amortized over a 15-year period ended December 31, 2002.

NOTE 11. RETIREMENT AND FAMILY PROTECTION PLAN

The International Union is the sponsor of the Retirement and Family Protection Plan (the "Plan"), a defined benefit plan that covers the employees of the International Union and the Teamsters National Headquarters Building Corporation (a wholly owned subsidiary). Substantially all of the employees participate in the Plan. Benefits provided by this Plan are determined based on years of service, level of compensation, and date of employment. The International Union pays the full cost of the Plan and annually determines the amount, if any, to contribute to the Retirement and Family Protection Plan based on the advice of consulting actuaries.

In computing net periodic pension costs as of January 1, 2002 to be recognized for the year ended December 31, 2002, the consulting actuary used the following assumptions:

Discount rate	6.75%
Average rate of compensation increases (select an ultimate salary scale of 5%, then to ultimate rate of 5.5%)	5.50
Expected return on plan assets	8.00

NOTE 11. RETIREMENT AND FAMILY PROTECTION PLAN (Continued)

The information on benefit cost for the year 2002 as determined by the actuary, is as follows:

Benefit cost	\$ 6,047,549
Employer contributions	3,895,759
Plan participants' contributions	—
Benefits paid	2,743,200

In computing the funded status of the Plan as of December 31, 2002, the consulting actuary used the following assumptions:

Discount rate	6.75%
Average rate of compensation increases (select an ultimate salary scale of 5%, then to ultimate rate of 5.5%)	5.50
Expected return on plan assets	8.00

The funded status of the Plan as of December 31, 2002, as determined by the actuary, is as follows:

Benefit obligation	\$ (62,430,469)
Fair value of plan assets	<u>34,834,062</u>

Funded status	\$ <u>(27,596,407)</u>
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NOTE 12. TEAMSTERS NATIONAL 401(K) SAVINGS PLAN

In 1996, the International Union entered into a trust agreement to participate in the Teamsters National 401(k) Savings Plan. Beginning in April 1997, employees of the International Union who have completed 30 days of service may contribute to the plan through payroll deductions. Participants may contribute up to 15% of their pretax salaries and an additional 5% of after-tax salaries. The International Union, as a Plan sponsor, does not contribute to the plan and assumes no liability for the Plan's administrative costs.

NOTE 13. RELATED ENTITIES

The International Union has four related entities not included in the consolidation, which are a political and education fund (a separate, segregated fund of the International Union), two defined benefit pension plans, and the 401(k) Savings Plan. These entities, as well as the Benefit Trust which is included in the consolidated financial statements, and amounts due to (from) the International Union at December 31, 2002 are as follows:

Committee for Democratic Republican Independent Voter Education owed the International Union	\$ 18,675
Teamster Affiliates Pension Plan	349,297
Retirement and Family Protection Plan	(207,127)
International Brotherhood of Teamsters Benefit Trust	<u>23,754</u>
	\$ <u>184,599</u>

The International Union absorbs the administrative costs applicable to the operations of these related entities. All but the Committee for Democratic Republican Independent Voter Education (DRIVE) reimburses the International Union for those administrative costs through cost sharing arrangements.

Included in the administrative costs of DRIVE is an accrued tax liability as of December 31, 2002 for political action contributions that were subjected to federal and District of Columbia taxes.

NOTE 14. POSTRETIREMENT BENEFITS

The International Union also provides certain health and life insurance benefits for retired employees meeting the requirements of a normal pension or becoming disabled and receiving a disability pension. Spouses and dependent children of these retirees are also eligible to participate. In addition, certain spouses and dependent children of deceased active employees are eligible to participate in the plan.

In 1992, the International Union adopted Statement of Financial Accounting Standards No. 106, "Employer's Accounting for Postretirement Benefits Other Than Pensions." Under Statement No. 106, the cost of postretirement benefits other than pensions must be recognized on an accrual basis as employees perform services to earn the benefits. The International Union previously expensed the cost of these benefits as claims were incurred. Based on transition provisions of Statement No. 106, the accumulated postretirement benefit obligation at the date of adoption may be recognized as the cumulative effect of an accounting change in the period of the adoption or may be delayed and amortized over a period of up to 20 years as a component of net periodic postretirement benefit cost. The International Union elected to amortize the initial post-retirement benefit obligation of \$32,188,200 (adjusted for plan amendments) over a period of 20 years.

In computing the net periodic postretirement costs for the year ended December 31, 2002 the consulting actuary used the following assumptions:

Discount rate	6.75%
Medical, dental and vision care cost trend (beginning in 2003 reducing by 1.00% per year to an ultimate rate of 5.00% in 2008)	10.00
Prescription drug cost trend (beginning in 2003 reducing by 1.00% per year for ten years to an ultimate rate of 5.00% in 2012)	14.00

The net periodic postretirement benefits cost for the plan for the year ended December 31, 2002 as determined by the actuary, is as follows:

Service cost	\$ 2,269,934
Interest cost	3,780,431
Amortization of transition obligation	<u>1,572,257</u>

Postretirement healthcare benefits cost	\$ <u>7,622,622</u>
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In computing the funded status of the Plan as of December 31, 2002 the consulting actuary used the following assumptions:

Assumptions used to value the accumulated postretirement benefit obligations:	
Discount rate	6.75%
Medical, dental and vision cost trend (beginning in 2003 reducing by 1.00% per year to an ultimate rate of 5.00% in 2008)	10.00
Prescription drug cost trend (beginning in 2003 reducing by 1.00% per year for ten years to an ultimate rate of 5.00% in 2012)	14.00

The funded status of the plan as of December 31, 2002 as determined by the actuary, is as follows:

Accumulated postretirement benefit obligation	\$ 60,909,646
Plan assets at fair value	<u>(60,909,646)</u>
Funded status	

Accrued postretirement healthcare benefits costs	\$ <u>(42,582,098)</u>
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Benefits paid during 2002 were \$2,269,027.

NOTE 15. ACCRUED LEAVE

In compliance with Statement of Financial Accounting Standards (SFAS) No. 43, "Accounting for Compensated Absences," the International Union has established a liability of \$2,135,881 representing accumulated future absences of its employees through the year ended December 31, 2002, which is included under "accounts payable and accrued expenses."

NOTE 16. LOANS PAYABLE

The International Union has various loans outstanding as of December 31, 2002. These loans are interest free and have no regular payment schedule, they are callable on demand.

During the year ended December 31, 2002 loans payable to the AFL-CIO totaling \$2,695,000, including accrued interest, were forgiven.

NOTE 17. COMMITMENTS AND CONTINGENCIES

The International Union is involved in litigation arising in the normal course of operations. Some of the litigation involves matters common to any organization of comparable size, including personnel, employment, contract, and trademark issues. None of this litigation involves any substantial potential liability on the part of the International Union.

Other litigation relates to the International Union's status as a labor organization. Much of this latter litigation is strategic, pursued by employers intent on pressuring the International Union with respect to its conduct as a bargaining representative pursuing better wages, hours and working conditions for the members of the International Union and its affiliates.

None of the other litigation in this category involves any substantial liability on the part of the International Union. It is not possible to predict whether any of the two specific suits will result in any liability on the part of the International Union or, if so, what that liability might be. Accordingly, no provision for any liability that may result upon final adjudication of any pending litigation has been made in the accompanying financial statements.

NOTE 18. AFFINITY PROGRAM

The International Union has entered into a multi-year License Agreement and a List Use Agreement with the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO) under which the AFL-CIO has obtained rights to use certain intangible property belonging to the International Union, including the right to use the name, logo, trademarks and membership lists of the Union, in exchange for specified royalty payments to be paid to the International Union by the AFL-CIO. In turn, the AFL-CIO has sub-licensed the right to use the International Union's intangible property to Household Bank of Nevada, N.A. (Household) for use by the bank in connection with its marketing of credit card and certain other financial products to members of the International Union.

On February 22, 1999, the terms of the AFL-CIO's License and List Use Agreements with Household were amended to provide for adjustments to the amounts of annual minimum royalty payments payable to the AFL-CIO during program years 3 through 5, annual minimum royalty payments for each subsequent program year, and adjustments to the set annual royalty rates applicable to program years 3 through 12. The AFL-CIO splits the royalty payments it receives with participating unions, including the International Union, based on each participating union's average revolving balances in the credit card program.

Under the original agreements, if cumulative royalty earnings (calculated based on the set annual royalty rates and the average revolving balances of union members enrolled in the program) were less than the cumulative royalty payments or advances received by the AFL-CIO, then that excess amount would be due to Household at the end of the term of the agreements. Similarly, if the advances paid to the International Union by the AFL-CIO exceeded the cumulative earnings attributed to the International Union, then that amount would be due to the AFL-CIO at the end of the term of the agreements.

The amended agreements provide that if such a cumulative "overpayment" remains at the end of program year 12, the AFL-CIO has an option to extend the term of the agreement for three additional one-year periods and receive annual minimum royalty payments in each of those years. If there is still a cumulative "overpayment" at the end of the three-year extension, the AFL-CIO will not be obligated to repay such amount to Household.

The amended agreements also provide that the International Union will be obligated to repay any cumulative overpayment to the AFL-CIO if the agreements are terminated prior to the twelfth year of the contract or if the International Union chooses not to extend the term of the agreements for the additional three years referred to above. Accordingly, revenue is recognized when royalty payments are received.

The International Brotherhood of Teamsters assigned any and all rights and interest it may have related to the License and List Use Agreements with AFL-CIO to the Trustees of the International Brotherhood of Teamsters Benefit Trust.

NOTE 19. LEASES

The International Union leases office equipment, office space, and residential space. Monthly lease and maintenance payments are allocated to program expenses in the statement of activities. Lease obligations under non-cancelable operating leases are as follows:

Year ending December 31, 2003	\$ 997,278
2004	340,011
2005	177,724
2006	97,272
2007	65,074
Total	1,677,359
Thereafter	5,010
	<u>\$ 1,682,369</u>

NOTE 20. PUBLIC SERVICES ASSISTANCE FUND

The International Union established the Public Employees Assistance Fund to be maintained as part of the International Union's General Fund in 1977 and the Fund was renamed as the Public Services Assistance Fund through action at the 2001 International convention. The International Union allocates one cent of the monthly per capita tax it receives to the Fund. Expenditures from the Fund are made for day-to-day activities of the Public Services Division and for assistance to affiliates for organizing employees.

NOTE 21. SECURITIES LENDING PROGRAM

The Trustees of the International Union have entered into an agreement with the bank that acts as custodian for the International Union's investments which authorizes the bank to lend securities held in the International Union's accounts to third parties.

The International Union receives 70% of the net revenue derived from the securities lending activities, and the bank receives the remainder of the net revenue. Interest reported in the statement of activities includes \$1,986 earned by the International Union during the year ended December 31, 2002 in connection with the securities lending program.

Under this program, the bank must obtain collateral from the borrower in the form of cash, letters of credit issued by an entity other than the borrower, or acceptable securities. Both the collateral and the securities loaned are marked-to-market on a daily basis so that all loaned securities are fully collateralized at all times. In the event that the loaned securities are not returned by the borrower, the bank will, at its own expense, either replace the loaned securities or, if unable to purchase those securities on the open market, credit the International Union's accounts with cash equal to the fair value of the loaned securities.

Although the International Union's securities lending activities are collateralized as described above, and although the terms of the securities lending agreement with the custodial bank require the bank to comply with government rules and regulations related to the lending of securities, the securities lending program involves both market and credit risk. In this context, market risk refers to the possibility that the borrower of securities will be unable to collateralize the loan upon a sudden material change in the fair value of the loaned securities or the collateral, or that the bank's investment of cash collateral received from the borrowers of the International Union's securities may be subject to unfavorable market fluctuations. Credit risk refers to the possibility that counterparties involved in the securities lending program may fail to perform in accordance with the terms of their contracts. To date, the International Union has experienced no losses in connection with the securities lending program. At December 31, 2002, the fair value of securities on loan was \$1,520,626.

NOTE 22. RESTRICTIONS ON NET ASSETS

Temporarily restricted net assets in the General Fund as of December 31, 2002 result from contributions from local union members, joint councils and other international unions for the purpose of paying benefits to on-strike individuals and contributions for the renovation of the International headquarters building. The net assets are released when these expenses are incurred. Related net assets released from donor restrictions during 2002 were \$765,700. Temporarily restricted net assets at December 31, 2002 consisted of the following:

Restricted for paying strike benefits	\$ 1,238,957
Restricted for building renovations	291,000
	<u>\$ 1,529,957</u>

NOTE 23. ORGANIZING ACTIVITIES

As a result of actions taken at the 2002 Special Convention, ten percent of the annual per capita tax received by the International Union, exclusive of per capita tax received for Canadian members, is allocated for organizing activities.

Organizing activities are as follows:

Per capita tax revenue	\$ 4,915,524
Expenses	1,956,653
Increase in net assets	2,958,871
Net assets at beginning of year	—
Net assets at end of year	<u>\$2,958,871</u>

REPORT 74 TO ALL MEMBERS OF THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS

FROM: Independent Review Board

Benjamin R. Civiletti

Joseph E. diGenova

William H. Webster

DATED: September 2, 2003

I. INTRODUCTION

This is the Independent Review Board's ("IRB") Seventy-fourth Report to you on its activities conducted pursuant to the Consent Order. In this Report, we will discuss matters that have currently come before us, including a new Investigative Report, the current status of pending charges about which we have previously informed you, and two matters initiated by the IBT which were reviewed by the IRB.

II. NEW INVESTIGATIVE REPORT

A. THOMAS A. PLINIO - Local 97, Union, New Jersey

On August 26, 2003, the IRB issued an Investigative Report to the Members of Local 97 Executive Board concerning Member Thomas A. Plinio. The Report recommended that Mr. Plinio be charged with bringing reproach upon the IBT by refusing to appear for his scheduled in-person sworn examination. The Executive Board was given 90 days to file the charges, hold a hearing and forward a final written report to the IRB.

III. STATUS OF PREVIOUS IRB CHARGES

A. WILLIAM T. HOGAN, JR., AND DANE PASSO - International Representatives

We have previously informed you that the IRB sent its opinion and decision to Judge Preska in which the IRB found Mr. Hogan and Mr. Passo guilty of bringing reproach upon the IBT by colluding with an employer to cause Local 631 to enter into a substandard contract with the employer and permanently barred each from the IBT. On August 22, 2003, Judge Preska affirmed the IRB decision. The Court Order is printed in this issue of the magazine.

B. ANTHONY RUMORE - Joint Council 16, New York City

We have previously informed you that Joint Council 16 President Anthony Rumore allegedly brought reproach upon the IBT by failing to investigate whether Barry Feinstein, the former President of Local 237 and Joint Council 16, was a prohibited person. Charges were filed against Mr. Rumore and a hearing was held by a hearing panel appointed by Mr. Keegel. The General Executive Board found Mr. Rumore guilty of the charge and ordered that he serve a two-month suspension from all IBT-affiliated union officer or employee positions and provide a letter to all officers of Joint Council 16 and the principal officers of all constituent locals that corrects mistaken information provided in a prior legal opinion letter.

On March 13, 2003, the IRB notified General Secretary-Treasurer Keegel and Mr. Rumore that the decision and the suspension were not inadequate. However, the IRB recommended that Mr. Rumore be required to reimburse Joint Council 16 for the cost of the legal opinion obtained in an attempt to support him personally. Mr. Keegel then notified Mr. Rumore of the General Executive Board's agreement with the IRB's March 13, 2003 letter.

On May 5, 2003, the IRB forwarded an application to the District Court for review of the IRB's decision and on May 7, 2003, Thomas P. Puccio, Esq., counsel for Mr. Rumore, filed his application with the same court to set aside the findings of the IRB. On June 5, 2003, the Government, the IBT and the Chief Investigator all submitted memoranda to Judge Preska on Rumore's objections to IRB Application 105.

C. ROBERT MOORE, ROBERT DELOATCH AND ALBERT OLIN - Local 522, Jamaica, New York

In past issues of the *Teamster* magazine we reported that the IRB issued an Investigative Report to General President Hoffa recommending that Robert Moore, Robert DeLoatch and Albert Olin, who were the Trustees of Local 522 Benefit Funds, be charged with bringing reproach upon the IBT and violating their duties as fiduciaries of the IBT-affiliated Benefit Funds by allowing the Local 522 affiliated Benefit Funds to pay large, unsupported administrative and other expenses to the Local. By their actions each caused the Benefit Funds to pay unreasonable administrative, rent, building and telephone expenses to Local 522 which were not necessary for the establishment or operation of the Benefit Funds. As fiduciaries of the Benefit Funds, Trustees Moore, DeLoatch and Olin were required to ensure that the Benefit Funds paid only reasonable administrative and other expenses.

The IBT filed the charges, an Article XIX hearing panel was appointed, and a hearing was held on April 10, 2003. In reaching its decision, the hearing panel discounted Mr. Moore's defense that he relied on accountant's advice because, as the IRB Report noted, the accountant was acting for both the Benefit Funds and the Local which had adverse interests.

By decision of July 24, 2003, General President Hoffa adopted the hearing panel's decision and suspended Messrs. Moore, DeLoatch and Olin from IBT membership and employment for three years and barred each from holding office with Local 522 or any other IBT-affiliated entity for five years. On August 26, 2003, the IRB notified Mr. Hoffa that the decision was not inadequate.

D. LOCAL 901 - San Juan, Puerto Rico

In past issues of the *Teamster* magazine we informed you that over a number of years Local 901 allegedly engaged in a pattern of conduct in violation of the IBT Constitution and which prevented the members from obtaining information and exercising their rights. The Local allegedly made unauthorized and questionable expenditures of Local funds, had inadequate financial controls, and never operated under approved Bylaws. Further, the Local's Executive

Board allegedly engaged in a pattern of approving expenditures for Board members' benefit which Local members did not approve as required in the absence of effective Bylaws.

In response to the IRB's report, Mr. Szymanski informed the IRB that newly elected officers are in place, former FBI Agent Angelo Class is in the process of completing his investigation of issues identified in our report, and the members voted to approve the Local Union Bylaws.

IV. OTHER MATTERS

The IRB has been following IBT actions on two cases, as detailed below, which were initiated by the IBT as part of its self monitoring activity.

A. RICHARD A. LYTER

In March 2001 the IBT notified the IRB that the audit firm reviewing expense reports noted apparently erroneous information which was used to support the expenses of Richard A. Lyter, then Executive Assistant to IBT General Secretary-Treasurer Keegel. Mr. Lyter informed the auditors, upon their inquiry, that some expenses were not based on fact and were untrue. Mr. Lyter was suspended without pay, made restitution of erroneous amounts already uncovered, and resigned from the IBT and Local 120. No charges were filed against him.

After waiting some time and obtaining additional information, the IRB notified IBT General Counsel Szymanski that Mr. Lyter was performing services for IBT entities which appeared to be inappropriate for him to be performing. The IRB noted that had he been charged and either entered into an agreement or was found to have embezzled after a contested hearing, he would have been, at a minimum, suspended and barred from providing compensated services to IBT entities for a period of time.

After the IRB issued a follow up letter to Mr. Szymanski on October 23, 2002, the IRB received a copy of IBT's letter to Thomas P. Puccio, Esq., counsel for Mr. Lyter, notifying him that the IBT was prepared to file internal union charges against Mr. Lyter unless Mr. Lyter agreed to reimburse an additional \$14,448.29 and execute a settlement agreement.

On January 21, 2003, the IBT notified Mr. Lyter that charges had been filed against him. After postponement of a hearing, the hearing was rescheduled for May 22, 2003. Before a hearing was conducted, Mr. Lyter signed an agreement to permanently resign his IBT membership and never to apply for membership in any IBT-affiliated local union or subordinate body and never to hold any position, any other employment, office position or consulting or similar relationship, whether paid or unpaid, with the IBT or any IBT entity.

B. DONATO DESANTI

On January 9, 2003, IBT General Counsel Szymanski informed the IRB that charges had been drafted against International Vice President Donato (Dan) DeSanti and absent agreement to a previously tendered settlement agreement would be filed soon. On January 22, 2003, Mr. Szymanski provided the IRB with a copy of IBT's

charges filed the previous day against Mr. DeSanti.

The IBT notified Mr. DeSanti on March 21, 2003, that a hearing panel had been appointed to hold a hearing on the charges on April 29, 2003. On April 18, 2003, the hearing panel granted Mr. DeSanti's request for a postponement of the hearing and on May 5, 2003, rescheduled the hearing for June 12 and 13, 2003.

On June 24, 2003, Mr. Szymanski forwarded to the IRB a copy of the agreement executed by Mr. DeSanti resolving the charges that were filed against him and an explanation of the reasoning that led the IBT to resolve the charges. After its review of the terms of the agreement, by letter of July 24, 2003, to Mr. Szymanski, the IRB cautioned that the settlement allows Mr. DeSanti to continue to interact with IBT officers and members even after the IBT had initiated organized crime charges not referred by the IRB.

On August 7, 2003, Mr. Szymanski forwarded an executed original of the DeSanti agreement to the IRB. On August 8, 2003, Mr. Szymanski, responding to the IRB's July 24, 2003, letter of caution relating to the continuing social contact provision of the agreement, attached TITAN messages to members of the General Executive Board and all IBT affiliates stating that Mr. DeSanti resigned his membership and all union positions without prohibition from contact and association with IBT officers, members, employees, representatives and agents only with respect to matters that do not involve union business.

V. TOLL-FREE HOTLINE

Since our last report to you, the hotline has received approximately 95 calls reporting alleged improprieties. As in the past, all calls which appeared to fall within IRB jurisdiction were referred for investigation. Activities which should be reported for investigation include, but are not limited to, association with organized crime, corruption, racketeering, embezzlement, extortion, assault, or failure to investigate any of these.

Please continue to use the toll-free hotline to report improprieties which fall within IRB jurisdiction by calling 1-800-CALL-IRB (1-800-225-5472). If you are calling from within Washington, D.C., dial 434-8085. The IRB facsimile number is 202-434-8084.

VI. CONCLUSION

As always, our task is to insure that the goals of the Consent Order are fulfilled. In doing so, it is our desire to keep the IBT membership fully informed about our activities. If you have any information concerning allegations of wrongdoing or corruption, you may call the toll-free hotline noted above or you may write to either the IRB Chief Investigator or the IRB office:

Charles M. Carberry, Chief Investigator
17 Battery Place, Suite 331
New York, NY 10004
Independent Review Board
444 North Capitol Street, NW
Suite 528
Washington, DC 20001

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

88 CIV. 4486 (LAP)

MEMORANDUM AND ORDER

UNITED STATES OF AMERICA,
Plaintiff,

—against—

INTERNATIONAL BROTHERHOOD OF TEAMSTERS
APPLICATION 102: William T. Hogan, Jr.
and Dane M. Passo,
Defendant.

LORETTA A. PRESKA, United States District Judge:

I. BACKGROUND

Before the Court is Application 102 of the Independent Review Board ("IRB") of the International Brotherhood of Teamsters ("IBT") to affirm the disciplinary action taken against IBT members William T. Hogan, Jr. ("Hogan") and Dane M. Passo ("Passo").

Hogan and Passo were charged with bringing reproach upon the IBT and violating the IBT Constitution by colluding with a non-union employer to enter into a sub-standard contract with IBT Local 631, to the detriment of IBT members. The IRB conducted a hearing on the charges on October 18 and 19, 2001. By decision dated May 29, 2002 (the "IRB Decision"), the IRB concluded that the charges were established and permanently expelled Hogan and Passo from the IBT.

Hogan and Passo filed lengthy objections to the IRB Decision, the Chief Investigator filed a Memorandum of Law in Support of Application 102, and Hogan filed a reply.

A. Hogan and Passo

Hogan and Passo held high-level positions with the IBT during the time period covered by the instant charges. Prior to his expulsion, Hogan had been a member of the IBT for some 40 years, Objection of William T. Hogan, Jr. to Application 102 of the IRB ("Hogan Br.") at 33, and had served as an IBT International Representative, President of IBT Joint Council 25, and Director of Organizing and Political Director of IBT Local 714, Vice President of IBT Local 179; he was a member of IBT Local 714 in Chicago, IRB Decision at 3; IRB Investigative Report ("IRB Rep.") Ex. 14, at 3-5; IRB Hearing Transcript ("Tr.") at 279-80. Hogan was appointed an IBT International Representative by IBT General President James P. Hoffa ("Hoffa"). *Id.* at 14. Hogan was appointed to his position with Local 714 by his son, Robert Hogan, the

current Secretary-Treasurer and principal officer of Local 714. *Id.* at 5.¹

Hogan has extensive experience in the convention and trade show industries, both in Chicago and around the country. IRB Decision at 3. Hogan dealt for decades with conventions and trade shows at McCormack Place, the major convention center in Chicago, and was involved with the Chicago Convention and Tourism Bureau. Tr. 280-84. Nevertheless, General President Hoffa never appointed Hogan to any International position concerning that industry and never appointed him to any position that would give him any authority or assignment with respect to Local 631 in Las Vegas. IRB Rep. Ex. 78 at 35.²

Prior to his expulsion, Passo had been a member of the IBT since 1971. IRB Rep. Ex. 20 at 4. In January, 1999, following General President Hoffa's election to office, Passo was hired to serve on the General President's staff as a member of the transition team. IRB Rep. Ex. 11 at 3. On March 23, 1999, General President Hoffa appointed Passo to serve as an International Representative. IRB Rep. Ex. 11 at 8. On April 13, 1999, General President Hoffa appointed Passo to serve as the Special Assistant to the General President. IRB Rep. Ex. 11 at 10. No other person held that same title at the IBT. IRB Rep. Ex. 78 at 13.³ On November 5, 1999, General President Hoffa appointed Passo as his Personal Representative to Teamsters Local 631. IRB Rep. Ex. 10. Before his involvement with Local 631, Passo had never negotiated a contract on behalf of the IBT and he had no experience in the convention industry. IRB Decision at 2; Tr. at 455, 505.

B. Rick Simon and United

United Services Companies ("United") was founded in Chicago forty years ago by Ben Stein ("Stein"). IRB Deci-

1 From 1990 until 1996, Hogan had served as Secretary-Treasurer and principal officer of Local 714. IRB Rep. Ex. 16 at 8. Hogan was appointed to that position by his father, William Hogan, Sr. *Id.* When William Hogan, Sr. retired, William Hogan, Jr. appointed his brother, James M. Hogan, as President of Local 714. *Id.* In 1996, the IRB recommended that the IBT place Local 714 in trusteeship because it found that the Local was not being run for the benefit of its members but "for the benefit of its principal officer, William Hogan, Jr., President James M. Hogan, Recording Secretary Robert Hogan and their family and friends." *Id.* at 1.

2 Hogan had served as Director of the IBT's Trade Show and Convention Centers Division under former IBT General President Jackie Presser. IRB Rep. Ex. 15 at 14-15; Tr. at 288. Although Hogan asked General President Hoffa to appoint him to that same position following Hoffa's election as General President (IRB Rep. Ex. 15 at 15; Ex. 78 at 19), Hoffa declined and has not appointed anyone to serve in that position. IRB Rep. Ex. 78 at 18. In a conversation recorded by Local 631 Business Agent Roberta Whitfield, Passo explained that the position remains vacant at the IBT "[b]ecause all the heat with the FBI, the Justice Department and the Second Circuit Courts in New York, [and] with the IRB, is [in] the conventions and the movie division." IRB Rep. Ex. 218 at 10.

3 Passo's title of Special Assistant to the General President was removed in October, 2000, following complaints from IBT Vice Presidents about his job performance in connection with Local 631. IRB Decision at 2; IRB Rep. Ex. 20 at 24-25; Ex. 78 at 13.

sion at 4; IRB Rep. Ex. 28. For decades, United has supplied convention services, including janitorial and maintenance services, to the McCormack Place convention center in Chicago and to convention centers in other major cities. IRB Rep. Ex. 27. Stein was convicted in 1966 of labor racketeering and bribery in connection with United's services at McCormack Place. IRB Decision at 4; IRB Rep. Ex. 28. Specifically, Stein made payoffs to IBT officials in Chicago to allow his non-union employees to work at McCormack Place. *Id.* Although his conviction was overturned on appeal, Stein subsequently pled guilty to bribing Teamster officials and was sentenced to a year in prison. *Id.* Stein also associated with organized crime figures in Chicago, including La Cosa Nostra ("LCN") member Dominic Senese ("Senese"), the former President of IBT Local 703 in Chicago. IRB Exs. 28-31. Senese was expelled from the IBT in 1990 for being a member of organized crime and for knowingly associating with other LCN members in Chicago. IRB Rep. Ex. 29. *See United States v. IBT ("Senese")*, 941 F.2d 1292 (2d Cir. 1991).

Stein's companies are managed today by United chairman Rick Simon ("Simon"), who had worked closely with Stein and has been with Stein's companies for thirty years. IRB Decision at 4; IRB Ex. 28. In 1988, the FBI interviewed Simon about the mob-related shooting that year of Senese. IRB Rep. Ex. 30. In that interview, Simon acknowledged that "he had known Dominic Senese and his family for so long he could not remember how long." IRB Rep. Ex. 30 at 1. Currently, United has ties to both the Stein and Hogan families. Stein's daughter, Carol Stein, now owns United. IRB Decision at 4. Hogan's brother, Michael Hogan, is an officer of United.⁴ IRB Decision at 5. Michael Hogan was also the CEO of Show Biz USA, a trade show contractor in Las Vegas. IRB Decision at 5. Michael Hogan had been chief steward at IBT Local 714 in the trade show division in the 1970s. IRB Decision at 5; IRB Rep. Ex. 175 at 128.

Hogan has known Simon for ten to fifteen years. IRB Rep. Ex. 15 at 30. Hogan also knew Stein and his daughter Carol from their involvement with the Chicago convention and tourism industries. *Id.* at 59.⁵

4 Michael Hogan's son, Michael Hogan Jr., has also worked for United in Chicago. IRB Rep. Ex. 173 at 19-22.

5 Hogan challenges the IRB's reliance on hearsay evidence in the record establishing Stein and United's long history of involvement with organized crime in Chicago. Hogan Br. at 20 n.12. It is well established, however, that reliable hearsay is admissible in IRB disciplinary proceedings. *See, e.g., United States v. IBT ("Senese & Talerico")*, 941 F.2d 1292, 1297-98 (2d Cir. 1991). Here, the newspaper articles concerning Stein are detailed and corroborate one another. Moreover, Simon's relationship with Senese is corroborated by an FBI report, which is also in the record. IRB Rep. Ex. 30. Hogan has not disputed Stein's criminal conviction for labor racketeering, which is a matter of public record. Nor did Hogan offer any evidence, such as the testimony of his friend Simon, to contradict the Chief Investigator's evidence on these issues. Finally, while Hogan states that there is "no evidence" in the IRB's Decision that "that Hogan knew or ever even met Stein", Hogan Br. at 20, Hogan in fact admitted at his deposition that he knew and had met Stein; indeed, he admitted he knew that Stein had owned United, and that he had contact with Stein in connection with the Convention Bureau in Chicago. IRB Rep. Ex. 15 at 59.

C. Local 631

Local 631 is an IBT local union in Las Vegas, Nevada, with approximately 4,500 members. IRB Decision at 6; Tr. at 403. Local 631 had a collective bargaining agreement with trade show contractors in Las Vegas, including Greyhound Exposition Services ("GES") and Freeman Decorating ("Freeman"). IRB Decision at 6. Pursuant to this contract (referred to as the "Red Book contract"), these trade show contractors were required to call upon Local 631 when they needed workers. *Id.* Local 631 responded to such calls by dispatching workers to the contractors through its dispatch office in accordance with dispatch lists. *Id.* The list was open to both IBT members, who paid dues to Local 631, and to non-IBT members, who paid Local 631 a dispatch fee. *Id.* When Local 631's dispatch office ran out of registered workers to send to a contractor, Local 631 would contact other IBT local unions in Las Vegas for additional available workers to send; and when those other IBT locals were exhausted as a source of workers to respond to a call, Local 631 would contact other Las Vegas unions, such as the Carpenters and Electricians, for any members of those unions who needed work. IRB Decision at 8.⁶ All workers, including those from other IBT locals and other unions, who were dispatched through Local 631 were entitled to the wages and benefits of the Red Book contract. IRB Decision at 9. Under the Red Book contract, wages and benefits depended upon the number of hours worked in the industry and the time of day worked. During the relevant time period, IBT members (and other workers dispatched through Local 631) were paid hourly wages ranging from \$12.40 per hour to \$20.53 per hour. *Id.* at 7.

United served as a labor broker in Las Vegas and could supply non-union workers to trade show contractors at cheaper rates than the wages required by the IBT under the Red Book contract. Unfortunately for the contractors, the Red Book contract allowed them to avoid paying the relatively higher IBT wages and benefits only when Local 631's dispatch lists were exhausted. If the dispatch lists were not exhausted and the contractor nevertheless used United workers (or other workers who were not dispatched by Local 631), the contractor would be in violation of the contract and the IBT would have the right to file a grievance and seek compensation from the contractor. IRB Decision at 30, 36.⁷ While

6 Passo, who had no experience in the convention and trade show industries and no prior experience with Local 631, actively opposed Local 631's long-standing practice of contacting other labor unions for additional workers to dispatch to the contractors when the local ran out of IBT members to send. *See, e.g., Tr.* at 63-64. Of course, without those additional union workers to dispatch, Local 631 would exhaust its dispatch list earlier, making it more likely that Local 631 could not meet the call. When Local 631 could not meet the call, the contractors were permitted to use United's non-union workers, *id.*, a result obviously to the detriment of IBT members.

7 In fact, GES violated the Red Book contract during a major Las Vegas trade show in 2000 by using United workers to perform Teamster work. IBT members complained loudly and in great numbers to the local. In response, Local 631 filed grievances against GES. IRB Decision at 30, 36, 39.

trade show contractors like GES and Freeman had an economic interest in avoiding payment of the Red Book wages and using United's cheaper, non-union labor instead, the Red Book contract provided that any worker who performed Teamster bargaining unit work must be paid the contract wages, even if not dispatched through Local 631. IRB Decision at 9; Tr. at 64-65. Accordingly, for United (including Simon and Michael Hogan) to profit by providing its non-union labor to contractors (at rates substantially lower than those paid to IBT members under the Red Book contract), United needed a separate agreement with the IBT that would allow United workers to perform Teamster bargaining unit work at wages other than those provided under the Red Book agreement.

II. HOGAN AND PASSO COLLUDE TO HAVE LOCAL 631 ENTER INTO A CONTRACT WITH UNITED

Simon had attempted to enter into an agreement with Local 631 that would allow United to supply its non-union labor to trade show contractors whenever Local 631's dispatch list was exhausted. IRB Decision at 10. Simon approached the leadership of Local 631 about his proposal prior to the 1998 local union election, but that administration had rejected the proposal. *Id.* In 1998, IBT member Tim Murphy ("Murphy") was elected Secretary-Treasurer and principal officer of Local 631. *Id.* Murphy hired David Breyman ("Breyman") as a dispatcher. *Id.*

A. Murphy Rejects Simon's Proposal

The following year, Michael Hogan of United approached his brother, William Hogan, and requested an introduction to the new leaders of Local 631. IRB Decision at 5, 10; Tr. at 306-08. Hogan agreed and made the introductions. IRB Decision at 5, 10; Tr. at 136. In June or July 1999, Murphy and Breyman met with Simon and Michael Hogan at a restaurant in Las Vegas. *Id.* At that meeting, Simon and Michael Hogan proposed that Local 631 enter into an agreement with United under which United would supply its non-union workers to trade show contractors after Local 631 had exhausted its dispatch list. IRB Decision at 11. Simon proposed that the workers would be dispatched directly by United, not through Local 631. IBT Decision at 11-12. According to Murphy, Simon also said that he would pay the local and Murphy himself a "service fee" amounting to seven or eight dollars for each worker dispatched by United. Tr. at 137. In contrast, other non-union workers who were dispatched through Local 631 paid the Local 631 a dispatch fee of \$40. IRB Decision at 12. Both Murphy and Breyman rejected Simon's proposal. Tr. 137, 388. In fact, Murphy considered the proposal "possibly ille-

gal." Tr. at 137.⁸ Either Michael Hogan or Simon told William Hogan that Murphy and Breyman had rejected United's proposal. IRB Decision at 12; Tr. 309.

B. Murphy is Fired and Replaced with Wilkerson and Frates

In 1999, Passo informed General President Hoffa about complaints that he had begun receiving from members of Local 631. IRB Rep. Ex. 113. Some of those complaints had been solicited from Local 631 members by IBT member Vito Locasio ("Locasio"). Locasio was a convicted felon, a former member of Hogan's local in Chicago, and a close confidant of Passo. IRB Decision at 13.⁹ At Passo's urging, General President Hoffa appointed Passo as his Personal Representative to Local 631 in November, 1999. IRB Decision at 13; IRB Rep. Ex. 20 at 13-14; Ex. 21 at 259-60. On March 1, 2000, Hogan, Passo, and other IBT officials confronted Murphy and demanded certain personnel changes at the local. IRB Decision at 15. At the time, Hogan had no IBT responsibilities in Las Vegas and no official role with respect to Local 631. At the IRB hearing, Hogan acknowledged that he had "no official position there" but explained that he was "there just joining in with the guys. . . . I just went along with friends of mine." Tr. at 317. That same day, Hogan and Passo met for lunch in Las Vegas and discussed Local 631. IRB Rep. Ex. 20 at 127. Thereafter, Passo expressed to the International Union his view that Local 631 should be placed into trusteeship. *Id.* at 137.¹⁰

On April 5, 2000, General President Hoffa placed Local 631 in trusteeship. IRB Decision at 15. Between the March 1 meeting with Murphy (at which Hogan had no official role) and the April 5 trusteeship, records show at least 32 telephone calls between Passo and Hogan. IRB Decision at 15. On the day Passo and others effected the trusteeship at the local, Passo and Hogan spoke to each other at least seven times. IRB Decision at 16. When the

8 Breyman denied hearing Simon offer Murphy a kickback. Tr. at 390. The IRB made no finding of whether Simon offered to pay Murphy for agreeing to his proposal. The IRB did observe, however, that "[t]he arrangement Passo, Hogan and Simon proposed to Local 631 was similar to those Stein had reportedly been involved with in the past where his employees were paid wages below a prevailing contract." IRB Decision at 4 n.7. The IRB also noted that in September 2000, United donated \$5,100 to the James R. Hoffa Memorial Scholarship Fund golf outing in Las Vegas, which paid for the tickets of Simon, Hogan's son, James Hogan, and others. IRB Decision at 30. Stein, of course, was ultimately convicted and sent to prison for making illegal payments to IBT officials in connection with United. *Id.*

9 Locasio's criminal history includes convictions for stealing a truckload of television sets, burglary, and uttering a forged instrument. IRB Rep. Ex. 147 at 13-15. Passo nevertheless actively assisted Locasio in his efforts to run for union office at Local 631 and secured employment for him with the local. *See* IRB Decision at 41. Passo also caused the IBT to pay for at least 87 meals at which Locasio was present, including 28 meals at which only Passo and Locasio were present. *Id.* at n.46.

10 A trusteeship at Local 631 had previously been recommended to General President Hoffa by IBT Vice President James Santangelo, who had also been appointed as a Personal Representative to Local 631. IRB Rep. Ex. 3.

IBT put Local 631 into trusteeship, Murphy and Breyman (who had opposed the proposed arrangement with Simon) were fired. IRB Decision at 16.

General President Hoffa thereafter appointed James Wilkerson ("Wilkerson") to serve as trustee of Local 631, IRB Decision at 15, and Marty Frates ("Frates") as Assistant Trustee, *Id.* During the trusteeship, Wilkerson acted in the capacity of principal officer of the local, with authority to enter into agreements on behalf of the local. See IRB Decision at 19 n.31.

C. Wilkerson and Frates Reject Simon's Proposal

After the local was placed in trusteeship by the International Union, Hogan renewed his efforts to assist Simon in securing an agreement with Local 631, by, *inter alia*, introducing Simon to Passo in the summer of 2000. IRB Decision at 18; IRB Rep. Ex. 20 at 64; Tr. at 322, 444-45. Thereafter, Simon and Passo engaged in extensive discussions towards a contract between United and Local 631. IRB Decision at 18-19. However, Hogan never introduced Simon to Trustee Wilkerson, the official at Local 631 with authority to reach an agreement with United. IRB Decision at 18, 19 n.31. In fact, no Local 631 officials participated in any of the direct discussions between Passo and Simon. IRB Decision at 19. Rather, Simon requested concessions from the Red Book contract from Passo, and Passo, in turn, pressed Local 631 to agree to the terms proposed by Simon. IRB Decision at 19.¹¹

Trustee Wilkerson and Assistant Trustee Frates both opposed Passo's proposal to contract with Simon. IRB Decision at 19; Tr. at 66; Ex. 82 at 54. Even a representative of Freeman, an employer, told Passo and Hogan that an agreement between Local 631 and United that allowed United workers to be paid less than IBT members were being paid under the governing Red Book contract would undermine the local's bargaining position with Freeman given that the existing contract with Freeman was up for renegotiation in 2001. IRB Decision at 27. As Assistant Trustee Frates put it, "it would have been asinine to go in and negotiate something less [with United] right before negotiations" with the trade show contractors. IRB Decision at 22; IRB Rep. Ex. 82 at 55.

D. Wilkerson and Frates are Fired

In an attempt to persuade Wilkerson to support the contract proposal, Passo falsely told Wilkerson that James Santangelo, an IBT Vice President, and Carlow Scalf, Executive Assistant to General President Hoffa, both wanted him to sign the contract. IRB Decision at 19, 24; Tr. at 65. In an attempt to persuade Frates to support the

proposal, Simon similarly told Frates that Santangelo and Scalf supported the proposal. IRB Decision at 35; IRB Rep. Ex. 82 at 56-57, 63. Passo also attempted to persuade Local 631 Business Agent Roberta Whitfield to agree to Simon's proposal, suggesting that he could get Whitfield an appointed position with the International Union. IRB Decision at 41; IRB Rep. Ex. 218 at 10. But Whitfield too opposed the proposal. IRB Decision at 21; Tr. at 184. Passo also requested that Local 631 attorney Joe Kaplon persuade Wilkerson that the proposed contract with United was acceptable. IRB Decision at 23. But Kaplon too sided with Wilkerson. *Id.*

Thereafter, Passo caused the IBT to fire both Wilkerson and Frates. IRB Decision at 19; IRB Ex. 78 at 57, 61; Ex. 12 at 84-87. Throughout this period, Passo and Hogan continued to consult extensively. IRB Decision at 25-34.¹²

E. Wilkerson is Replaced with Jacobson; Hogan Seeks to Negotiate the New Trade Show Contract

On November 6, 2000, the IBT replaced Wilkerson with a new trustee for Local 631, Ed Jacobson ("Jacobson"). IRB Decision at 47, 50. During the next few months, United employees repeatedly performed Teamster work on GES trade shows, causing Local 631 business agents and stewards to file repeated grievances with GES for violating the existing contract. IRB Decision at 50-52. In January, 2001, GES representatives from Las Vegas met with Hogan in Chicago and complained about the number of grievances being filed by Local 631. IRB Decision at 54. The GES representatives also discussed with Hogan the upcoming negotiations for a new Las Vegas convention contract, since the existing contract was scheduled to expire May 31, 2001. IRB Decision at 54-55. During these discussions with GES, Hogan still had no officially sanctioned role in Las Vegas or in connection with Local 631. *Id.* at 54.

Since the IBT had barred Passo from further dealings with Simon, *see* note 12, *supra*, the only way for United to supply (and for contractors to permissibly hire) United's non-union workers at United's lower wages was for Local 631 to enter into a new contract with the trade show contractors that would expressly permit the contractors to hire non-Teamsters to perform Teamster work at less than Teamster wages. IRB Decision at 55. To that end, in March 2001, following his meeting with GES representatives, Hogan requested that General President Hoffa appoint him to negotiate the new agreements with GES and the other Las Vegas contractors. *Id.* Hogan also asked Scalf to let him negotiate Local 631's new contract with

¹¹ In fact, when Passo ultimately submitted to the International Union the changes to the Red Book contract he was proposing for the contract with United, the proposed terms Passo submitted were written in Simon's handwriting. Tr. at 495-96.

¹² Before Wilkerson was terminated as trustee, Wilkerson had complained to IBT Vice President Santangelo about Passo's proposed arrangement with Simon, and Santangelo requested that the IBT investigate Simon's background. On September 12, 2000, based on the information about Simon discovered as a result of that investigation, the IBT instructed Passo to stop all dealings with Simon. IRB Decision at 43-44.

the trade show contractors. *Id.* During these discussions with Hoffa and Scalf, Hogan never disclosed to either Hoffa or Scalf that he had met with GES representatives in Chicago nor did he ever disclose that his brother Michael held positions with United and with Show Biz USA, the Las Vegas trade show contractor. *Id.* at 55-56. Both Hoffa and Scalf refused to let Hogan negotiate with the contractors. *Id.*

PROCEDURAL HISTORY

I. The IRB Charges

On May 23, 2001, the IRB recommended that the IBT file charges against Hogan and Passo for colluding with Simon to enter into a substandard contract and to have United employees perform Teamster work in the Las Vegas trade show and convention industries for less pay and benefit fund contributions than the existing collective bargaining agreement required. On May 25, 2001, IBT General Secretary-Treasurer C. Thomas Keegel adopted and filed the IRB's proposed charges and advised the IRB that the IBT would appoint a union panel to hear the charges.¹³ On July 26, 2001, Mr. Keegel advised the IRB that the IBT's General Executive Board ("GEB") had voted to refer the charges back to the IRB for adjudication.¹⁴ In accordance with its Rules, the IRB scheduled a hearing on the charges.

II. Passo and Hogan's 2001 Action

On October 9, 2001, shortly before the IRB's hearing was scheduled to commence, Hogan and Passo sued the IRB members in this Court and sought an emergency order restraining the IRB from proceeding with its hearing. Hogan and Passo claimed, among other things, that the charges exceeded the IRB's jurisdiction and violated their rights to free speech. On October 11, 2001, this Court denied Hogan and Passo's application for a TRO.

First, Hogan and Passo's challenge to the IRB's jurisdiction, was rejected:

It has long been determined that the jurisdiction of the IRB is not confined to the very limited phrases of the Consent Decree which plaintiff's counsel have relied on. Rather, the IRB has been held time and again to have the general president's authority to construe the IBT constitution to determine what does and does not bring reproach upon the IBT.

Transcript of Proceedings, *United States v. IBT*, 88 Civ. 4486 (S.D.N.Y. Oct. 11, 2001), at 2. Hogan and Passo's

argument that the charges interfered with their free speech rights under the First Amendment and the Labor-Management Reporting and Disclosure Act of 1959 ("LMRDA") was also rejected. With respect to the constitutional claims, the Court observed that "it has been held many times that the IRB is not a state actor." *Id.* The Court also held that "[p]laintiffs' First Amendment rights do not extend to advocating collusive contracts with entities with a history of organized crime contacts and racketeering." *Id.* at 3. Following denial of emergency relief, Hogan and Passo voluntarily dismissed their 2001 action.

III. The IRB Hearing

On October 17 and 18, 2002, the IRB held its hearing in Las Vegas, Nevada, on the charges against Hogan and Passo. The transcript reflects that Hogan and Passo were represented by counsel at the hearing and were provided an opportunity to respond to the charges and cross-examine the witnesses who testified against them. In all, seven witnesses (including Hogan and Passo) testified at the hearing. Hogan did not call as a witness either his brother, Michael, or his long-standing business friend, Simon. The IRB also admitted into evidence over 300 exhibits, including the sworn depositions of Hoffa, Scalf, Hogan, Passo, Murphy, Breyman, Wilkerson, Frates, Whitfield, and Jacobson. The documentary evidence also included a transcript of a recorded conversation between Simon and Whitfield and the telephone records showing the timing and length of the extensive telephone conversations between Passo, Hogan, and Simon.

IV. THE IRB'S DECISION

On May 29, 2002, the IRB issued a 79-page decision, finding that the charges had been established. The IRB unanimously concluded that Hogan and Passo brought reproach upon the union and violated the IBT Constitution "by colluding with Simon in an attempt to allow him to avoid a Teamster governing contract to the detriment of Local 631 members." IRB Decision at 57. The IRB, which had the opportunity to observe the demeanor of Passo and Hogan when they testified, specifically found their testimony, including their explanations for wanting Local 631 to contract with Simon, to be incredible. IRB Decision at 71-74. With respect to Hogan's intent to benefit his brother, the IRB specifically cited Hogan's own deposition testimony, in which he testified: "I don't know what's wrong with helping my family, but apparently somebody has got a problem with that." IRB Decision at 73 n.78. With respect to Passo's relationship with Hogan, the IRB specifically found Passo's testimony incredible when he denied even knowing that his close friend's brother was involved with United. *Id.* at 77-78.

As a sanction for their collusive scheme to benefit Simon and Michael Hogan to the detriment of IBT members, the IRB permanently expelled Hogan and Passo from the IBT.

¹³ General President Hoffa (who appointed Passo and Hogan as International Representatives; appointed Passo as his Special Assistant and as his Personal Representative to Local 631; put Local 631 into trusteeship; fired Trustee Wilkerson; and personally met for lunch with Simon, Hogan, and Passo) recused himself from consideration of these charges.

¹⁴ General President Hoffa also recused himself from the GEB vote on whether to refer the charges back to the IRB for adjudication.

DISCUSSION

I. Standard of Review

The standards governing review of IRB disciplinary decisions are well established. This Court reviews determinations made by the IRB under an "extremely deferential standard of review." *United States v. IBT* ("Carey & Hamilton"), 247 F.3d 370, 379 (2d Cir. 2001); *United States v. IBT* ("Simpson"), 120 F.3d 341, 346 (2d Cir. 1997); *United States v. IBT* ("DiGirlando"), 19 F.3d 816, 819-20 (2d Cir. 1994). The IRB Rules, which were approved by this Court and the Court of Appeals, provide for review of decisions of the IRB under "the standard of review applicable to review of final federal agency action under the Administrative Procedure Act." IRB Rules ¶ O. See *United States v. IBT* ("IRB Rules"), 803 F. Supp. 761 (S.D.N.Y. 1992), *aff'd as modified*, 998 F.2d 1101 (2d Cir. 1993).

In accordance with that standard, this Court reviews "the IRB's findings of fact for 'substantial evidence' on the whole record." *United States v. IBT* ("Giacumbo"), 170 F.3d 136, 143 (2d Cir. 1999). "The substantial evidence test is deferential." *Id.* "Substantial evidence is 'something less than the weight of the evidence,' *DiGirlando*, 19 F.3d at 820, but something 'more than a mere scintilla.'" *Simpson*, 120 F.3d at 346 (quoting *United States v. IBT* ("Cimino"), 964 F.2d 1308, 1311-12 (2d Cir. 1992)). "Substantial evidence includes such relevant evidence as a reasonable mind might accept as adequate to support a conclusion." *Simpson*, 120 F.3d at 346 (internal quotations omitted). Moreover, the mere possibility of drawing two inconsistent conclusions from the evidence does not prevent the IRB's finding from being supported by substantial evidence. *Carey & Hamilton*, 247 F.3d at 380 (citations omitted). Because the IRB conducts the disciplinary hearings, it is best equipped to evaluate the demeanor, credibility and, ultimately, the culpability of those who appear before it. *Carey & Hamilton*, 247 F.3d at 380; *accord United States v. IBT* ("Carey Disqualification"), 156 F.3d 354, 365 (2d Cir. 1998); *Cimino*, 964 F.2d at 1313 (refusing to re-weigh evidence or question credibility determination made by Independent Administrator). Accordingly, the inferences drawn by the IRB from the facts are "discretionary and can only be disturbed if they are 'arbitrary and capricious.'" *Giacumbo*, 170 F.3d at 143.

II. Hogan and Passo's Challenge to the IRB's Interpretation of the Red Book Contract and the Proposed United Contract

Hogan and Passo argue first that this Court should review the Red Book contract and the proposed United contract *de novo* and reverse the IRB's decision because the Board allegedly misinterpreted those contracts. Hogan Br. at 1-14; Passo Br. at 1-4. The issue before the IRB was not one of contract interpretation, however, but one of

Hogan's and Passo's conduct. That conduct included: engineering the termination of Wilkerson and Frates; lying to local union officials about the terms of the proposed deal with Simon; lying to local officials about International support for the proposed arrangement with Simon; lying to the International about why Wilkerson and Frates should be terminated; failing to disclose material facts to their supervisors at the International; and using extensive union resources (including expenses for travel, hotels, phone calls, and countless lunch and dinner meetings) to secure a collusive deal with United. Because their conduct was largely undisputed, the central question remaining for the IRB to decide was not how to interpret the various contracts but whether Hogan and Passo engaged in this improper conduct and acted in concert with a non-union employer with the intent to benefit Hogan's friend Simon and his brother — all to the detriment of Local 631 — Michael Hogan, (as the IRB charged) or with the intent to benefit Local 631 (as Hogan and Passo claimed).

As Hogan's counsel acknowledged at the IRB hearing, "[t]he contested issues in this case are not so much about the facts, but rather the conclusions that are to be drawn from those facts. And those facts, as I say, are not in substantial dispute." Tr. at 29. Passo's counsel agreed, observing correctly that the central issue was one of intent: "It's not a who did it. It's not even a what happened. It's a why it happened." Tr. at 40. Since the question of intent does not turn upon the interpretation of any contract but depends upon the reasonable inferences to be drawn from Hogan and Passo's undisputed conduct, the standard of review is clear: inferences drawn by the IRB from the facts are "discretionary and can only be disturbed if they are 'arbitrary and capricious.'" *Giacumbo*, 170 F.3d at 143. The IRB's conclusion that Hogan and Passo colluded with Simon for the purpose of benefitting Simon, Hogan's longtime business friend from Chicago, and Michael Hogan, his own brother — all to the detriment of Local 631 — is neither arbitrary nor capricious. To the contrary, that conclusion is compelling and inescapable.

Passo and Hogan were afforded the opportunity at the IRB hearing to explain to the IRB all of the reasons why they pursued an arrangement with Simon. The IRB's extremely detailed and thorough opinion scrutinizes their explanations and finds them to be incredible. See *Carey & Hamilton*, 247 F.3d at 380 ("In accordance with the great deference owed to the IRB's determinations, law in this circuit establishes that a court 'will not substitute its assessment of a witness's credibility with that of the IRB.'" (citation omitted)). For example, while Hogan and Passo claimed that they ultimately intended to organize United's employees as Teamsters, the IRB rejected that explanation as incredible, finding "no evidence of any organizing effort by either Hogan or Passo." IRB Decision at 58. The IRB's conclusion that Hogan and Passo had no

intent to organize United is amply supported by the facts. As the IRB found, “[n]either Passo nor Hogan nor anyone under their direction ever spoke to any United employee.” IRB Decision at 58. Having never spoken to the United employees, Passo and Hogan had no idea what terms these employees would even want from their employer. *Id.* at 60. Passo never spoke to the Local 631 staff organizers about organizing United and never requested organizing assistance from the International. *Id.* at 59. In fact, Hogan and Passo’s own words betray their claims. Passo admitted that he “wasn’t representing anybody.” *Id.* at 58. For his part, Hogan testified that he considered the proposed contract with United to be a “contract for services,” not a collective bargaining agreement. *Id.* Indeed, as the IRB suggested, for Hogan and Passo to attempt to organize United’s employees by dealing exclusively with Simon, the employer, would violate the National Labor Relations Act, which grants employees the right to choose their own collective bargaining representative. *Id.* at 59. As the IRB observed, “[t]he employer[’s] choosing his employees’ bargaining representative is an indic[um] of a prohibited sweetheart deal between an employer and a union.” *Id.* at 59. Based on these facts, it was reasonable for the IRB to infer that Hogan and Passo had no intent of ever organizing United employees as Teamsters, as they incredibly claimed at the hearing.

Hogan and Passo also argue that the IRB may not discipline them because the contract with Hogan was never finalized. However, that Hogan and Passo ultimately failed to achieve their corrupt objective is beside the point. In any event, ample evidence supports the IRB’s conclusion that Passo and Simon had reached an agreement that they considered final. *See, e.g.,* IRB Rep. Ex. 82 at 68. Passo told Whitfield (in a recorded conversation) that he had submitted his agreement with Simon to the IBT for review. IRB Decision at 41-42. In fact, Passo submitted to the IBT Legal Department “the amended language of the contract” with United. IRB Rep. Ex. 84. In that letter, Passo acknowledged that “[e]verything else [in the contract with United] will remain the same as in the GES Exposition contract.” *Id.* Accordingly, the IRB concluded that, as far as Passo and Simon were concerned, the “negotiations” were over and the terms of the proposed contract with United were agreed upon.

Finally, to the extent the inferences of intent drawn by the IRB required an understanding of how the contracts at issue operated, the Board’s understandings were not only reasonable but fully consistent with the understandings of the experienced Local 631 officers who actually enforced the contract. *See* Tr. at 64-65, 111-12, 401; IRB Rep. Ex. 5 at 19; Ex. 82 at 41-43; Ex. 26 at 63; Ex. 2 at 186-87; Ex. 203 at 27; Ex. 1 at 162. While Hogan and Passo now offer competing interpretations of these contracts, their subjective understandings of the contracts would be rele-

vant only to the extent that, if honestly held at the time, they might provide evidence that Hogan and Passo acted in a good faith belief that their actions benefitted the local. The evidence, however, does not support such a claim. For example, it is undisputed that Hogan never even read any of the contracts at the time. Thus, the post-hoc interpretations by his counsel in this Court are simply irrelevant to his intent at the time. For his part, Passo’s own testimony actually supports the IRB’s understanding of how the Red Book contract operated. *See* Tr. at 501 (“Q. You knew that under the Red Book contract that was then in effect that anybody who performed Teamster work was supposed to be paid at the contract rate; is that correct? A. Correct. Q. And it didn’t matter from what source they came; correct? A. Correct.”). Accordingly, the competing interpretations offered by Hogan and Passo after the fact do nothing to call into question the IRB’s conclusions about their intent.

III. Hogan and Passo’s Challenge to the IRB’s Jurisdiction

Hogan and Passo again raise the claim included in the 2001 action that the IRB’s disciplinary action exceeded its jurisdiction because the Consent Decree limits the IRB’s jurisdiction to specific crimes and corrupt acts only. As the October 11, 2001 ruling in that action found, this argument is without merit.

The IRB’s authority to interpret the IBT Constitution and discipline IBT members is now beyond serious dispute. *See United States v. IBT (“IRB Rules”),* 998 F.2d 1101 (2d Cir. 1993); *United States v. IBT (“Friedman & Hughes”),* 905 F.2d 610, 613 (2d Cir. 1990). The Consent Decree expressly confers upon the IRB the same disciplinary authority that the IBT Constitution confers upon the General President and the General Secretary-Treasurer. *See* Consent Decree ¶ G.12(b). Since the IBT Constitution authorizes the IBT General President “to interpret and apply” the IBT Constitution and “to decide all questions of law thereunder,” *see* IBT Const. Art. VI, Sec. 2(a), the IRB’s disciplinary authority “necessarily includes the final authority to decide what constitutes an offense subject to discipline under the IBT Constitution.” *Friedman & Hughes*, 905 F.2d at 619 (describing Independent Administrator’s authority). Recognizing this, the IRB Rules expressly authorize the IRB to investigate “conduct that *in the IRB’s view* brings reproach upon the Union.” *IRB Rules*, 803 F. Supp. at 802 (emphasis added), *aff’d as modified*, 998 F.2d 1102 (2d Cir. 1993). The IRB’s conclusion that Hogan and Passo’s misconduct brought reproach upon the union is a reasonable interpretation of the constitutional standard and, therefore, well within its designated authority.

Contrary to Hogan and Passo’s argument, the scope of the Consent Decree is not limited to matters involving organized crime or to violations of specific federal crimi-

nal laws. See *United States v. IBT* ("Bastian & Weisenburger"), 175 F.3d 1009, 1999 WL 97236, at *2 (2d Cir. 1999) (IBT Consent Decree not limited "to matters involving organized crime or to matters arising under federal labor laws"). Rather, it is clear that "conduct that is not itself criminal can constitute a violation of the IBT Constitution." *United States v. IBT* ("Ross"), 826 F. Supp. 749, 758 n.3 (S.D.N.Y. 1993) (quoting *United States v. IBT* ("Liguoritis"), 814 F. Supp. 1165, 1182-83 (S.D.N.Y. 1993)), *aff'd mem.*, 22 F.3d 1091 (2d Cir. 1994). "In fact, a great number of grounds for discipline in the IBT Constitution are not criminal violations, including the failure to cooperate with internal IBT investigations, knowingly associating with members of organized crime, violating a Local Bylaw and disrupting Union meetings." *Liguoritis*, 814 F. Supp. at 1183. Thus, an IBT member may be disciplined for conduct that brings reproach upon the union regardless of whether the misconduct charged would also violate a criminal statute. See *United States v. IBT* ("Reardon"), 803 F. Supp. 734, 738 (S.D.N.Y. 1992) ("The flaw with these arguments is that Reardon is not objecting here to a conviction under [the LMRDA] in a criminal action. Rather, he is objecting to the Independent Administrator's findings that he violated [the IBT Constitution] in an internal disciplinary proceeding."); *United States v. IBT* ("Parise"), 777 F. Supp. 1133, 1138 (S.D.N.Y. 1991) (rejecting disciplined member's argument that "his actions were not 'corrupt,' and that his suspension is therefore inappropriate because the misdemeanor to which he pleaded guilty is not an offense for which he can be barred from union office under [the LMRDA]."), *aff'd*, 970 F.2d 1132 (2d Cir. 1992). Accordingly, the IRB had jurisdiction to discipline Hogan and Passo regardless of whether their conduct violates the specific federal criminal statutes identified in the Consent Decree.

IV. Hogan and Passo's Free Speech Claims

Hogan and Passo argue again, as they did in the 2001 action, that the IRB's disciplinary action violates their rights to free speech because the IRB sanctioned them for mere advocacy of a proposed contract. As the October 11 ruling found, this argument is also without merit. As an initial matter, Hogan and Passo were not disciplined for mere advocacy of their views; they were disciplined for engaging in a pattern of concerted activity designed to benefit Simon and Michael Hogan to the detriment of Local 631. Passo did not simply advocate an idea; he repeatedly lied to local and International officials and engineered the elimination of the IBT officials who opposed him. For his part, Hogan actively used his considerable influence and connections to accomplish his corrupt goals. He introduced Simon to Passo, to Local 631 officials, and to International officers, including General President Hoffa. Indeed, Hogan himself initi-

ated the scheme with the intention of benefitting his friend and his brother. Thus, the IRB did not discipline Hogan and Passo for their "thoughts" and "ideas" but for their active conduct in pursuit of an improper arrangement detrimental to Local 631.

That Hogan and Passo used speech to accomplish their corrupt ends does not mean that they are immune from disciplinary action. As noted in the October 11 findings, Hogan and Passo's free speech rights "do not extend to advocating collusive contacts with entities with a history of organized crime contacts and racketeering." Transcript of Proceedings, *Hogan and Passo v. IRB*, 01 Civ. 8620 (S.D.N.Y. Oct. 11, 2001) at 3. Indeed, "it has never been deemed an abridgment of freedom of speech . . . to make a course of conduct illegal merely because the conduct was in part initiated, evidenced, or carried out by means of language, either spoken, written, or printed." *Giboney v. Empire Storage & Ice Co.*, 336 U.S. 490, 502 (1949). Here, the advocacy that Hogan and Passo claim is protected was the vehicle by which they committed the offense charged. As such, it is not protected. See *United States v. Rowlee*, 899 F.2d 1275, 1278 (2d Cir. 1990) ("[S]peech is not protected by the First Amendment when it is the very vehicle of the crime itself. E.g., . . . (conspiracy).") (citation omitted); see, e.g., *Jews for Jesus, Inc. v. Jewish Community Relations Council of N.Y., Inc.*, 968 F.2d 286 (2d Cir. 1992) ("[T]he First Amendment is no bar to liability under the general common law prohibition of tortious interference with contract, which . . . is directed against conduct, not speech."). The First Amendment does not give IBT members the right to engage in collusive conduct detrimental to the IBT simply because the successful implementation of their corrupt scheme required both conduct and advocacy.

To the extent Hogan and Passo suggest that their discipline violates the free speech guarantees of the United States Constitution, that argument is contrary to well settled and controlling authority. It has long been firmly established that actions taken by the officers appointed pursuant to the Consent Decree, including disciplinary actions taken by the IRB, do not implicate the Constitution because they do not constitute state action. See, e.g., *United States v. IBT* ("Carey Disqualification"), 156 F.3d 354 (2d Cir. 1998); *United States v. IBT* ("Senese & Talerico"), 941 F.2d 1292, 1296 (2d Cir. 1991); *United States v. IBT* ("Sansone"), 981 F.2d 1362, 1371 (2d Cir. 1992); *United States v. IBT* ("Star Market"), 954 F.2d 801, 806 (2d Cir. 1992); *United States v. IBT* ("Hickey"), 945 F. Supp. 96, 99 (S.D.N.Y. 1996); *Erbaci, Cerone, & Moriarty, Ltd. v. United States*, 939 F. Supp. 1045, 1054 (S.D.N.Y. 1996); *United States v. IBT* ("Simpson"), 931 F. Supp. 1074, 1108 (S.D.N.Y. 1996), *aff'd*, 120 F.3d 341 (2d Cir. 1997); *United States v. IBT*

(*"Simpson Subpoenas"*), 870 F. Supp. 557, 560 (S.D.N.Y. 1996).¹⁵

Nor does section 101(a)(2) of the LMRDA immunize Hogan and Passo from disciplinary action. Although the LMRDA protects the free speech rights of union members, as demonstrated above, those rights do not extend to the type of collusive conduct engaged in by Hogan and Passo. Furthermore, the free speech rights guaranteed by section 101(a)(2) are not absolute. The statute expressly permits a labor union to "enforce reasonable rules as to the responsibility of every member toward the organization as an institution and to his refraining from conduct that would interfere with its performance of its legal or contractual obligations." 29 U.S.C. 411(a)(2). Thus, even if Hogan and Passo's advocacy of their arrangement with Simon qualified as protected speech, the statute permits a union to defend itself by disciplining members for conduct that "threaten[s] the union as an institution and interfere[s] with the union's duties as collective bargaining agent." *Ferguson v. International Ass'n of Bridge, Structural & Ornamental Iron Workers*, 854 F.2d 1169, 1174 (9th Cir. 1988). Here, Hogan and Passo engaged in conduct that betrayed the IBT as an institution and interfered with the collective bargaining obligations of Local 631. The IRB was entitled to enforce the IBT Constitution's standards of conduct and to discipline them for engaging in that conduct.

V. The IRB's Choice of Sanction

Finally, Hogan and Passo challenge the IRB's choice of sanction as excessive and disproportionate to the offense. Hogan Br. at 33; Passo Br. at 18-21. These arguments ignore both the governing standards and the seriousness of the egregious and harmful misconduct that Hogan and Passo engaged in.

The IRB, which heard all the testimony and considered all the evidence, is "best situated" to judge the culpability of those who appear before it and to fix an appropriate sanction. Cimino, 964 F.2d at 1311-13. Accordingly, "[t]he IRB has 'wide discretion' in imposing sanctions." *United States v. IBT ("O'Donnell")*, 29 Fed. Appx. 685, 688, 2002 WL 243247, at 2 (2d Cir. 2002) (quoting *Giacumbo*, 170 F.3d at 144). In reviewing IRB sanctions, this Court asks only whether the sanction imposed represents an "allowable judgment" in the choice of the remedy. *United States v. IBT ("Wilson, Dickens, Weber")*, 978 F.2d 68, 73 (2d Cir. 1992)(citation omitted). "[T]he reviewing court should not overturn the . . . choice of sanctions unless it finds the penalty unwarranted in law or without justification in fact." *Simpson*, 120 F.3d at 348 (citing *Wilson, Dickens, Weber*, 978 F.2d at 73).

Permanent expulsion from the IBT represents an "allowable judgment" in the IRB's choice of sanction because it is expressly authorized by the IBT Constitution. See *United States v. IBT ("Boggia")*, 167 F.3d 113, 120 (2d Cir. 1999)(*"There is no dispute that the IBT Constitution provides that a member may be stripped of membership rights if found guilty of misconduct."*); *United States v. IBT ("Bane")*, 2002 WL 654128, at *16 (S.D.N.Y. 2002) (*"A lifetime ban on membership and employment with the union is a permissible sanction because it is authorized by the IBT Constitution and rules."*), *appeal docketed*, Dkt. No. 02-6153 (2d Cir.); *accord Carey & Hamilton*, 247 F.3d at 390 (*"Carey has sympathetic arguments that the penalty imposed on him is harsh given his many years of service to the union; nonetheless, the penalty has a basis in the IBT rules and the Consent Decree."*). Accordingly, the IRB's choice of sanction here was not "unwarranted in law."

Furthermore, the IRB acted well within its broad discretion when it concluded that permanent expulsion was warranted by the facts of this case. By engaging in their collusive scheme with United, a non-union labor broker, Hogan and Passo betrayed the IBT membership at Local 631 in an effort to benefit Hogan's brother and his business friend. Their misuse of their union authority resulted in the termination of innocent local officers, threatened to undermine Local 631's bargaining position with trade show contractors and amounted to an unfair labor practice. Furthermore, Hogan and Passo committed these actions while they were both high-ranking IBT officials: Hogan was an International Representative, President of Joint Council 25, and an officer of a local union; Passo was an International Representative, Special Assistant to the General President, and a Personal Representative of the General President.¹⁶ It is well within the IRB's broad discretion to conclude that Hogan and Passo's misconduct deserved a particularly severe sanction precisely because they held such high-level positions with the IBT. See *Carey & Hamilton*, 247 F.3d at 389 (*"Caselaw in this circuit supports the IRB's holding that because of Carey's position as the highest union official his misconduct was more serious."*); *Simpson*, 120 F.3d at 349 (*"It was well within the IRB's discretion to conclude that, precisely because Simpson was a trusted, high-level official in the IBT, his conduct . . . was more culpable."*); *Bane*, 2002 WL 654128, at *16 (*"Bane's relatively high-level position in the union — President of a large local union and International Representative — justifies the sanction."*); cf. *United States v. IBT ("O'Donnell")*, 164 F. Supp. 2d 328, 338 (S.D.N.Y.2001) (*"It seems appropriate that each of the consequences delineated by O'Donnell relates to the high*

¹⁵ Hogan and Passo make no argument that has not been made and rejected before. The two recent Supreme Court cases they cite do not in any way change the governing analysis or otherwise call these controlling decisions into doubt.

¹⁶ Passo notes that he was not an elected official and, incredibly, denies that he was a nationally recognized leader of the IBT. Dane Passo's Objection to Application 102 at 21. The above recitation of his positions put the lie to his denial.

positions of authority, responsibility and trust that he previously held in the IBT and Local 817 and that he now must forfeit as a direct result of his own wrongdoing.”), *aff’d*, 2002 WL 243247 (2d Cir. 2002). A permanent bar sends precisely the right message to the IBT membership: that corruption by high-ranking IBT officials will not be tolerated — no matter how longstanding their memberships and no matter how many of their relatives are also members.

Hogan argues that, even accepting the IRB’s factual findings, the evidence established only that he advocated a contract that he “honestly” believed had merit. Hogan Br. at 33. Not only did the IRB make no finding that Hogan had an “honest” belief about the merits of the proposal with Simon but, to the contrary, it specifically found that Hogan’s explanations for why he promoted the agreement with Simon were *not* credible. IRB Decision at 71-73. For example, with respect to Hogan’s claim that he never even read the Red Book contract, the IRB found: “Either his testimony is false or he didn’t care about the red book contract but only the best arrangement for Simon.” *Id.* at 72. Similarly, the IRB observed that Hogan apparently gave “false” testimony at the IRB hearing when he denied knowledge of the “most favored nations” clause of that contract. *Id.* at 73 n.77. Thus, the IRB’s actual findings, including the findings that he misled his superiors and clandestinely aided Passo in an effort to benefit his own brother and his friend, belie any suggestion by Hogan that his beliefs at the time were “honest.”

Passo argues that his sanction is excessive because, at most, he merely “attempted” to engage in the deal with Simon and that “the event never happened because Passo dropped it.” Passo Br. at 19-20. Passo also argues that his conduct resulted in “no actual harm to any union member.” *Id.* at 21. These arguments are not only contrary to the IRB’s findings, they are disingenuous. Passo “dropped” his efforts to contract with Simon only because Scalf, his immediate superior, ordered him to stop dealing with Simon. IRB Decision at 44. Furthermore, the IRB expressly found that Passo and Hogan’s misconduct caused harm to IBT members; in fact, the IRB found that IBT members were “repeatedly harmed.” *Id.* at 57. The IRB also found that Passo used his authority as an International appointee to engineer the terminations of Wilkerson and Frates. *Id.* at 64. Finally, while there is substantial evidence of actual harm here, the obligation upon all IBT members to refrain from conduct that “brings reproach” upon the Union can be violated without *any* actual injury to the IBT. *See, e.g., Friedman & Hughes*, 905 F.2d at 623 (conviction of IBT officer for embezzlement of non-IBT funds brought reproach upon IBT). Even without considering the actual injury he caused, it would certainly be reasonable for the IRB to conclude that Passo’s misconduct, which included misusing his union authority, lying to local

officials, and lying to his superiors — all to benefit a non-union company — brought reproach upon the IBT.

Passo also challenges his sanction on the ground that it is disproportionate to the misconduct and inconsistent with penalties imposed in other Consent Decree disciplinary proceedings. Passo Br. at 20-21. As an initial matter, Passo has not identified any IBT member who received a lesser sanction for engaging in misconduct remotely similar to his own. Even if he could identify an IBT member who engaged in comparable misconduct but received a lesser sanction, however, “it is well established that sanctions given in other cases are not relevant to the Court’s inquiry as to whether a particular sanction is unwarranted or without justification.” *Bane*, 2002 WL at 654128, at *16; *accord Giacumbo*, 170 F.3d at 144 (“Uneven application of sanctions does not normally render the sanction imposed in a particular case arbitrary or capricious.”); *accord Sansone*, 981 F.2d at 1371-72. In *Sansone*, the Court of Appeals rejected the officer’s argument that his penalty should be overturned because it was more severe than penalties imposed in similar cases. *Id.* Despite noting that Sansone’s penalty was “admittedly drastic” and that the Court “might not have reached the same conclusion,” the Court nevertheless declined Sansone’s invitation to substitute its judgment for the Independent Administrator’s: “The apparent discrepancy between the penalty imposed here and those imposed in other cases does not inexorably compel the conclusion that the Independent Administrator acted arbitrarily or capriciously.” *Id.* at 1372; *see also Ross*, 826 F. Supp. at 762 (Independent Administrator has authority to impose sentence more severe than that imposed on other IBT members who committed similar conduct). Accordingly, any alleged disparity between Passo’s sanction and the sanctions imposed on others does not render the sanction arbitrary and capricious.

CONCLUSION

Application 102 is granted, and the IRB’s decision is affirmed in all respects.

SO ORDERED.

August 22, 2003

Loretta A. Preska

LORETTA A. PRESKA, U.S.D.J.



A CHALLENGE

Teamsters Step Up To Help Australian Kids Worth Taking

How many visitors to New York City get to take a police-escorted boat ride around the Statue of Liberty? Or have lunch with the cast of "The Sopranos" and see filming of the show?

Not many. But thanks to the Teamsters, a group of visiting Australian children got that and much, much more.

"These kids had the time of their lives," said Cliff Nolan, Vice President of Local 701 in North Brunswick, New Jersey.

When the children and those accompanying them were left stranded by their host organization after arriving in late June, the Teamsters stepped in to help. The group consisted of 16 members of a charity called Challenge.

What is Challenge?

Challenge is a charity based in Melbourne, Australia and has been providing support services to children and families living with cancer and other life-threatening blood disorders for more than 20 years.

"The Teamsters have been really great on our trip," said Sam Severina, a 17-year-old, from Melbourne. "We've had an excellent time. The best part of the trip was when we got to meet Sharon Osbourne, who is a cancer survivor."

The New York and New Jersey leg of the trip was coordinated by Nolan and funded by Joint Council 73 and Local 817. Gregg Glogoza, a Teamster truck driver, served as the personal chaperone for the group. Thomas O'Donnell, President of Local 817, paid for the children's hotel rooms in Manhattan.

Fantastic Journey

"We are sincerely indebted to the Teamsters for embracing our group and ensuring that we had the best time possible while in New York City. This year's trip would not have been the success that it was without this support," said David Rogers, Chief Executive Officer of Challenge. "Gregg Glogoza was extremely hospitable and all of the kids now consider him their friend."

While in the New York area, they were made honorary citizens of two towns in New Jersey, took a tour of the Empire State Building and had many other adventures.

"Washington, D.C. was really nice too, but I think New York has been my favorite part of the trip," said Katerina Jeron, another of the visiting kids with Challenge. "To be honest, the Teamsters made this trip what it was. They've really been fantastic."

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